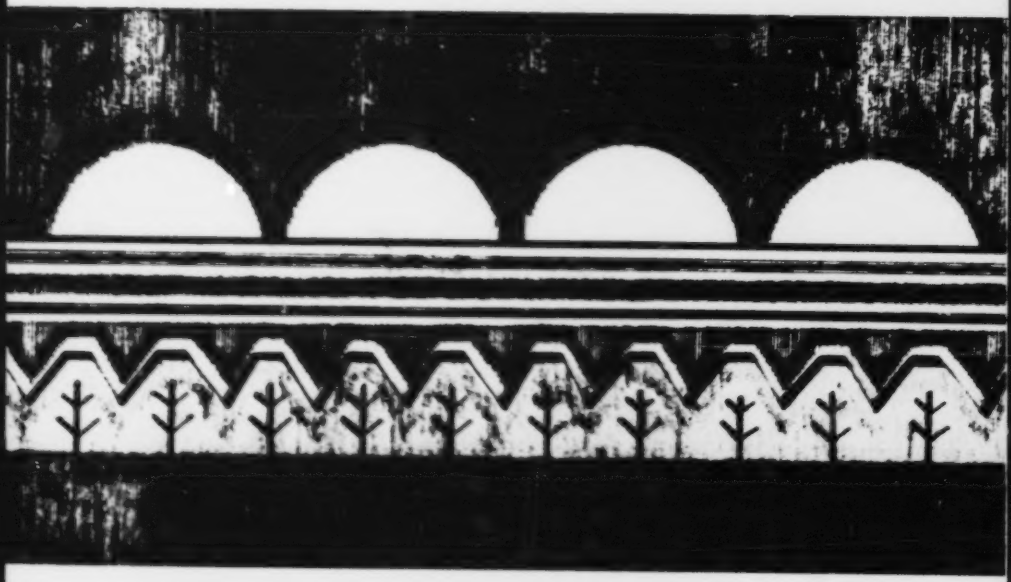
Rebuilding the Economic Base of Indian Communities: The Micmac in Nova Scotia

Fred Wien



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REBUILDING THE ECONOMIC BASE OF INDIAN COMMUNITIES: THE MICMAC IN NOVA SCOTIA

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FRED WIEN

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Mary Louise Martin is a Micmac Indian,
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FOREWORD

The problem of finding or creating acceptable job opportunities is central to life in Canada today. It is a challenge which is still relatively new, however, to most of those in the mainstream of Canadian society. To many minority elements in our society, by contrast, it is a very old problem, one which is compounded in the present environment by the greater competition for the job opportunities that do exist. This is the situation that Canada's native peoples find themselves facing.

Dr. Wien's study examines employment strategies for the Micmac people in Nova Scotia. It utilizes what may be a unique data base in order to identify and analyze existing employment patterns in the Micmac community. This detailed analysis is preceded by a historical review of the changing circumstances of the Micmac over time and is followed by an examination of options for the future. What emerges is described by one reviewer of the manuscript in the following way: "contemporary issues confronting the Micmac can thus be seen as flowing from their shared past, and choices can be imagined which build on the strengths and motivations deriving from their culture and history."

The relevance of Dr. Wien's study is not confined to the Micmac. His work suggests, by illustration, how policy makers might approach the question of employment strategies and alternatives for any culturally distinct community, and it offers policy considerations which might be applicable to the situation of other native peoples in Canada.

Rod Dobell
President

January 1986

AVANT-PROPOS

La recherche ou la création d'emplois valables est aujourd'hui au coeur des préoccupations du Canada. Le problème est relativement nouveau pour la plupart des Canadiens bien intégrés à la société. Mais il n'en va pas de même pour un grand nombre de minorités qui actuellement doivent faire face à une compétition accrue sur le marché de l'emploi. C'est la situation que doivent affronter les autochtones.

Dans la présente étude, le docteur Wien se penche sur les stratégies en matière d'emploi concernant les Micmacs de la Nouvelle-Écosse. Pour identifier et analyser les comportements actuels des Micmacs à cet égard, le docteur Wien recourt à des données exclusives. L'ouvrage détaillé qu'il nous livre débute avec un tableau historique de la situation des Micmacs et débouche sur un examen des perspectives d'avenir qui leur sont offertes. Cette démarche permet au lecteur de replacer dans un contexte historique les problèmes auxquels cette communauté doit actuellement faire face et d'imaginer des solutions basées sur les atouts et les motivations qui caractérisent sa culture et son histoire.

La pertinence du propos du docteur Wien ne se limite pas aux Micmacs. Par voie d'illustration, son étude propose aux gouvernants un nouveau cadre d'élaboration de stratégies et de solutions de rechange en matière d'emploi, applicables à toute collectivité culturelle distincte et présente des considérations globales pouvant intéresser d'autres peuples autochtones du Canada.

Rod Dobell
Président

Janvier 1986

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The research on which this book is based stretches over most of a decade, from the time that the initial research was begun in 1975/76, through the second wave of data collection in 1981, to the end of a project on employment and economic development strategy in 1984. Many debts have been incurred in the interim.

In the early years, the most significant contribution was made by Don Julien, who collected the employment data in 1976 and subsequently carried out in-depth interviews on each of the reserves on the nature of employment patterns in the earlier decades of this century. For the second phase of data collection, it was the staff of the Popular Education Program of the Union of Nova Scotia Indians who pieced together the necessary information for each band in the province. At the Institute of Public Affairs, Dalhousie University, the coding of the 1980/81 data was undertaken by Don Larder, with data preparation and computer analysis carried out by Stan de Mello and John Benoit.

I am greatly indebted to two groups for the intellectual stimulation that they have provided: my colleagues in the Marginal Work World Research Program at the Institute of Public Affairs during the period from 1975 to 1981, and the members of the Micmac Development Council in the years from 1982 to 1984. The staff associated with the latter project, Dan Christmas and Cyril Stephens, as well as the co-chairman of the council, Noel Doucette, were particularly important in helping to shape some of the ideas regarding policy/strategy which are reported in Chapter 5 of this book.

My wife, Carol Anne, despaired that the book would ever be completed and consequently undertook to write a portion of the historical chapter. I am very grateful to her for this, as well as for the more indirect contributions she has made in freeing me from other obligations. Alexa and Peter McDonough very kindly gave me the use of their cottage so that the distractions of urban life and of a demanding administrative position could be avoided.

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Thus, many individuals and organizations have provided generous assistance and advice. Despite their best efforts, some errors of fact or judgement may still remain, for which I assume responsibility.

January 1986 Halifax, Nova Scotia

THE AUTHOR

The author was born in Osterode, Germany, in 1943. He immigrated with his parents to Canada in 1951.

Formal post-secondary studies were undertaken at Queen's University, Kingston, Ontario, where he received an Honours B.A. in 1966 (Political Studies and Spanish). An M.A. and a Ph.D. were awarded by Cornell University in 1969 and 1971 respectively (Development Sociology, Government, and Latin American Studies).

The author taught in the Department of Sociology, University of Western Ontario, between 1970 and 1973. He worked as a research associate at the Institute of Public Affairs, Dalhousie University, from 1973 to 1981. Since 1981, he has served as Director of the Maritime School of Social Work, Dalhousie University.

For more than a decade, he has worked with Indian political organizations and bands in Nova Scotia on research, educational, and applied projects.

SUMMARY

Indian bands across Canada are increasingly taking over responsibility for their own affairs in areas such as education, band government, and health and social services. Their efforts to achieve self-government are hampered, however, by the lack of a self-sustaining economic base. Most native communities are characterized by high unemployment, low levels of income, and extensive dependence on government funding.

In this case study of status Micmac Indians in Nova Scotia, a review of their economic history suggests that the conditions described above have not always prevailed. The Micmac had successfully adapted to their environment in aboriginal times, and even during the period of fur trading they played an important role in the regional economy. They were, however, pushed aside and virtually made extinct when European and American settlers came to Nova Scotia in large numbers. After the mid-nineteenth century, the Micmac gradually came to terms with an industrializing economy, serving as wage labourers both in Nova Scotia and in New England. Their tenuous foothold was undermined by the depression, however, and by misguided attempts during the 1940's to centralize Nova Scotia's Indian population on two reserves. Federal government policy in recent decades has emphasized short-term job creation and the provision of welfare, rather than the long-term employment and economic development of reserve communities.

In a chapter focusing on contemporary conditions, a comprehensive and original data base is used to delineate demographic, educational, and employment characteristics of the Micmac. The data was collected during two periods (1975/76 and 1980/81), thereby permitting the identification of trends over time, and it also includes comparative information about non-Indian Nova Scotians. The chapter documents low but improving educational levels, high but decreasing population growth rates, and very high unemployment rates which appear to improve only because of direct federal job creation spending. The nature of

contemporary Micmac employment patterns, some four centuries after regular contact with Europeans began, is also documented.

In searching for guidance as to the causes and symptoms of the economic underdevelopment of Indian communities, as well as to recommended solutions, four major theoretical approaches are reviewed. First, orthodox approaches, such as theories of technological change, human capital and status attainment, the culture of poverty, and modernization are discussed. Second, dual labour market, or segmentation approaches, are summarized and applied to the Micmac case. Third, perhaps the most popular approach in recent decades is reviewed, namely that involving the variations on dependency theory, the internal colonialism framework, and staples theory that have become so prominent in the literature. Finally, some writers proceeding from a Marxist framework have recently begun to apply their perspective to the historical and contemporary situation of Indians in Canada and their contributions are discussed.

Having taken into account historical, contemporary empirical, and theoretical considerations, the last chapter looks at some directions that might be pursued in order to rebuild the economic base of Indian communities, again illustrating the argument by reference to the Micmac. In particular, the obstacles to reserve-based economic development are discussed and some strategies for overcoming the obstacles are suggested. The importance of expanding the resource base of Indian communities and taking into account social and cultural considerations that go beyond narrow economic and technical criteria are stressed. Other forms of reserve-based employment development are also reviewed, as are more interventionist strategies for providing access to jobs and training in off-reserve locations.

ABRÉGÉ

On assiste aujourd'hui à une prise en charge graduelle par les Amérindiens du Canada de divers secteurs d'activité les concernant tels l'enseignement, la gestion politique (par l'entremise des conseils de bande), la santé et les services sociaux. Néanmoins, leurs efforts d'autogestion se heurtent à l'absence d'une assise économique viable. Dans la plupart des communautés amérindiennes, le chômage est élevé, les revenus sont faibles et les ressources financières sont assurées dans une large mesure par l'État.

La présente étude sur la situation des Micmacs de la Nouvelle-Écosse fait ressortir que ceux-ci n'ont pas toujours été aux prises avec de telles conditions économiques au cours de leur histoire. En effet, les Micmacs étaient remarquablement bien adaptés à leur environnement avant l'arrivée des Blancs et ils jouaient même un rôle économique important sur le plan régional à l'époque de la traite des fourrures. Ils ont cependant été mis à l'écart, puis largement décimés lors de l'arrivée en grand nombre des colons européens et américains. Durant la seconde moitié du XIX^{e} siècle, les Micmacs ont par ailleurs réussi à se tailler graduellement une place dans l'économie industrielle naissante, à titre de manoeuvres en Nouvelle-Écosse et en Nouvelle-Angleterre. Leur position précaire allait cependant être ébranlée par la crise économique de 1929 et par les tentatives mal avisées pour les regrouper, au cours des années 1940, dans les deux réserves indiennes de la province. Durant les dernières décennies, les autorités fédérales ont concentré leur action sur la création d'emplois temporaires et au versement de prestations de bien-être social plutôt que sur des mesures qui auraient permis de créer des emplois permanents et de favoriser le développement économique des communautés autochtones.

Dans une section portant sur la situation contemporaine des Micmacs, on recourt à une base de données exclusives et détaillées pour brosser un tableau d'ensemble de cette communauté, au triple point de vue de la démographie, de la

scolarité et de l'emploi. Recueillis à deux périodes différentes (en 1975-76 et en 1980-81), ces renseignements permettent de définir un certain nombre de tendances, et comprennent des données comparatives sur la situation des populations non amérindiennes de la Nouvelle-Écosse. Il en ressort que les Micmacs ont un niveau de scolarité faible mais en voie d'amélioration, que leur croissance démographique est forte mais en baisse, et que leur taux de chômage est très élevé, les seules améliorations à ce chapitre semblant être liées au financement direct par l'État de nouveaux emplois. Cette section dresse également, à partir d'une documentation fouillée, un schéma des comportements contemporains des Micmacs en matière d'emploi, quelque quatre cents ans après l'établissement de contacts réguliers avec les Européens.

Pour tenter de déterminer les causes et les symptômes du sous-développement économique des communautés amérindiennes et d'élaborer des solutions pertinentes, on adopte quatre types de démarches théoriques principales. On se penche d'abord sur un certain nombre de thèses orthodoxes, telles les théories portant sur les changements technologiques, le capital humain et le statut social, la pauvreté en tant que sous-culture et la modernisation. On résume ensuite la thèse du double marché du travail, ou théorie de la segmentation, pour l'appliquer aux Micmacs. Troisièmement, on étudie la démarche peut-être la plus populaire des dernières décennies, soit les variantes s'articulant autour de la théorie de la dépendance, la thèse du colonialisme interne et la thèse des ressources principales, toutes traitées dans de nombreux ouvrages spécialisés. Enfin, on se penche sur les conclusions de théoriciens qui, ces dernières années, ont appliqué la grille d'analyse marxiste à la situation contemporaine et historique des Amérindiens du Canada.

Après ce tour d'horizon des considérations historiques et contemporaines ainsi qu'empiriques et théoriques de la problématique amérindienne, l'étude se termine par une analyse des orientations qui pourraient permettre de reconstituer l'assise économique des communautés amérindiennes, en prenant encore une fois comme exemple les Micmacs. On traite en particulier des entraves aux schémas de développement économique axés sur les réserves et on propose un certain nombre de mesures correctives. L'étude souligne par ailleurs l'importance d'élargir la base des ressources des communautés amérindiennes et d'intégrer certains facteurs culturels et sociaux aux critères classiques d'analyse économique et technique. On traite enfin d'autres méthodes de création d'emplois axées sur les réserves ainsi que de stratégies plus interventionnistes visant à favoriser

l'accessibilité des emplois et de la formation à l'extérieur des réserves.

1: INTRODUCTION

There are not many status Indians in Nova Scotia. The official band lists identify some 6,000 Micmac, with about a fifth of the total number living outside the province, primarily in the Eastern United States. For the most part, Nova Scotia's Indians live on small reserves which are scattered throughout the province and are often located in semi-isolated and rural areas (see Figure 1.1).

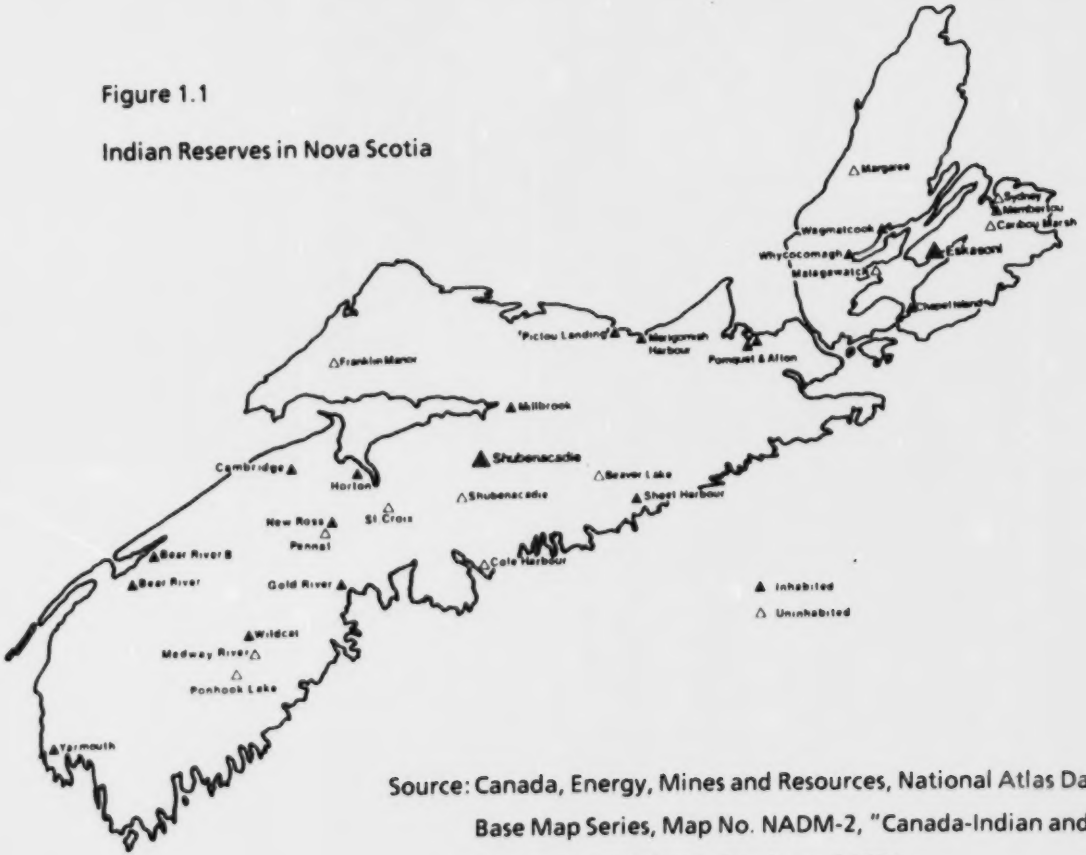
Except for ceremonial occasions and instances of exceptional triumph or misfortune, the Micmac do not, as a rule, impress themselves upon other inhabitants of the province. They tend to keep their aspirations and problems to themselves, and they are not comfortable with the institutions of the larger society. The reserve system and their unique legal, cultural, and political situation reinforces their separateness.

The Micmac are without a doubt the most disadvantaged racial and cultural group in the province when assessed in terms of the indicators of community well-being that are normally used. They experience unemployment rates ranging from 50 to 66 per cent of the labour force in recent years and levels of welfare dependency of similar proportions. Indices of social disorganization, as reflected in alcoholism, drug abuse and family breakdowns, are from all accounts well above provincial averages.[1]

Of all North American Indian groups, the Micmac are among those with the longest period of regular interaction with Europeans, dating back almost five centuries. They have lost much in the process—principally their land and much of their aboriginal culture and lifestyle—and in the early 1800s it appeared they would disappear altogether as a people when their numbers dropped to less than 1,400 as a result of disease, starvation, and deliberate attempts at extermination. Yet they survive as a distinct group, and in recent decades their population has grown at a rate far above the provincial average. Their culture, whether rooted in tradition or a product of adaptation to more recent circumstances, differs markedly from

Figure 1.1

Indian Reserves in Nova Scotia



Source: Canada, Energy, Mines and Resources, National Atlas Data Base Map Series, Map No. NADM-2, "Canada-Indian and Inuit Communities Atlantic Provinces," 1984.

their non-Indian neighbours. Three-quarters of the on-reserve Micmac population, for example, still speak the Micmac language on an occasional or regular basis. They also cautiously continue to adapt themselves to their changing environment. Their young people are gradually coming to grips with formal educational systems (and vice versa), and band councils, as well as other Micmac organizations, are gradually taking over responsibility for their own affairs.

While some features of the Micmac and their context in Nova Scotia are distinctive, there are also many parallels with the experience of other Indian groups in other parts of the country. The latter may have had a shorter period of contact with Europeans, they may have retained a larger proportion of their traditional economy, and they may have larger numbers and a different resource base. All of the Indian groups in Canada, however, are concerned with economic and employment development, whether it is reserve-based or in off-reserve and more urban locations. The rebuilding of the economic base of Indian communities is seen as being important not only in terms of providing immediate jobs, but also because of the importance of employment to community well-being and to the long-term resolution of social problems.[2] It is also seen as an important component of the drive toward the self-government of Indian communities. Thus, while this study focuses on the Micmac in Nova Scotia, it addresses issues, aspirations, and problems common to many Indian communities in Canada.

Given the small number of Indians involved and the wealth of Canadian society as a whole, one would think that problems of poverty and underemployment in Indian communities could be readily resolved. Indeed, the prevailing response of recent decades has been to attempt to buy a solution through ever-increasing welfare payments and publicly purchased employment, such as make-work projects, sponsored organizations, and subsidized economic development. In the case of the Micmac, fully two-thirds of the employed on-reserve labour force is now dependent on government funds for their jobs, and a similar proportion of the population receives some form of income maintenance payments. While economic security has been achieved at a fairly basic level, economic independence has not, and a fundamental change in policy is called for.

The general terms of the redirection of public policy have been under discussion for almost a decade.[3] Some agreement has even been achieved on the main parameters of policy that would, it is thought, contribute to Indian socioeconomic development. Among the more important elements are the recognition and

protection of Indian rights in the Constitution, the realization of Indian self-government, the promotion of community-based planning and development, and the desirability of achieving an holistic, integrated approach to development, rather than a compartmentalized, piecemeal strategy that would isolate economic, social, and cultural factors from each other. In more recent years, the debate has also become more specific and has focused on the following questions. What are the fiscal arrangements that would sustain Indian self-government? What would be the nature of the new structures and powers of Indian governments? What kinds of Indian economic-development institutions should be established?

In this study, we deal specifically with the kinds of employment and economic-development strategies that could contribute to the rebuilding of the economic base of Indian communities. We begin with an economic history of the Micmac in Nova Scotia, tracing how they have made a living from aboriginal times through the fur-trading period, as a settler-dominated economy, as wage labourers in the industrial economy, and, more recently, as wards of the government. A detailed empirical examination of contemporary demographic, educational, and employment patterns of Micmac life follows, drawing upon an original data base which establishes trends over time and draws comparisons to the non-Indian population of Nova Scotia. A subsequent chapter presents an overview of four important social-science theories that seek to explain the causes and solutions to problems of underemployment and poverty faced by disadvantaged groups and individuals in advanced industrial societies. The study concludes with an elaboration of some policy/strategy alternatives designed to promote employment and economic development for both on- and off-reserve populations.

2: THE HISTORICAL LEGACY

Introduction

The written historical record of the Micmac is not noted for its completeness and accuracy. Knowledge of aboriginal patterns prior to contact with the Europeans is quite limited in that the forms of written communication used in the aboriginal period have largely been lost, and only a few archaeological investigations have been carried out. What is available was put down on paper by European explorers in the 1500s and more fully by Jesuit priests and traders writing in the subsequent century.[4] Aside from the fact that these accounts cast a European slant on what was observed, the more detailed accounts do not begin until at least a hundred years after Europeans had established regular contact with the Micmac. By this time, European diseases, trade goods, and the fur trade had already taken hold.

While an Indian perspective on these events remains to be written, the accounts of the period extending from 1600 to Confederation in 1867 provide quite detailed and useful information. With regard to the past century, the raw materials for reconstructing its history are available, but it is only recently that some systematic compilation and analysis of these materials has been undertaken.

As we trace the historical roots of contemporary Micmac employment patterns, it is useful to organize the discussion around several periods or stages, each marked by certain dominant features. Historians and anthropologists identify different stages depending on what their primary interests are, such as cultural change or major political transitions. From the standpoint, though, of major changes in economic life-styles or ways of making a living, the periods described in Figure 2.1 can be identified. Each is described below in some detail, and the discussion of the early periods is relatively brief and draws upon familiar materials. For the last century, however, some new sources of information are available to us.

Figure 2.1
Major Periods in Micmac Economic History

Approximate Dates	Principal Characteristics
Up to 1500	Aboriginal subsistence patterns; community production and consumption
1500 to 1783	Early European contact and the fur trade
1784 to 1867	Transition to settlement and subordination
1868 to 1940	Labour in the industrial economy
1941 to present	Centralization, welfare, and government dependence.

The Aboriginal Period

A palaeo-Indian site at what is now Debert, Nova Scotia, and which dates back as much as 10,600 years, provides the first evidence of aboriginal settlement in this part of North America.[5] As Harold McGee points out in his overview of Micmac history, there is disagreement over whether the present-day Micmac are descendants of these original populations or whether they are the most recent of a number of aboriginal populations to have occupied the Eastern coastal region.[6] The debate is hampered by the fact that, for thousands of years, there is no record of artifacts or other remains that would permit an assessment of the degree of continuity and change. It is not until about 1200 A.D. that one can say with some confidence that a direct link to the Micmac encountered by the Europeans can be traced.

During the early periods of contact (that is, the 15th and 16th centuries), the Micmac occupied an area that extended from the southern portions of the Gaspé region through much of New Brunswick and all of Prince Edward Island and Nova Scotia. Other Algonkian populations, such as the Etchemins and the Armouchiquois, occupied neighbouring territories in the remainder of New Brunswick and in New England as far south as Massachusetts. The area occupied by the Micmac was divided into seven sociopolitical regions which were loosely held together

through political alliances, common language, kinship, and other ties.

Because the climate was not very conducive to the growing of crops, the subsistence economy of the Micmac was based on hunting, fishing, and gathering, rather than on horticulture or agriculture. The annual cycle was very much influenced by what the different seasons of the year made available in terms of natural resources. The seasonal cycle in turn had a direct bearing on settlement patterns, the division of labour within the household, and other aspects of social and cultural organization. Food was most readily available from April through October, when the Micmac gathered in their summer villages which were usually located at the mouth of a large river. The size of these settlements is open to question, but at least several hundred people are believed to have occupied the villages each year. Sustenance in abundant quantities came from fish spawning runs, which included smelt, herring, and salmon in the early part of the season. Shellfish, lobster, crab, eel, and cod, as well as migrating wildfowl, were also readily available. From July through the fall, berries, nuts, and roots could be gathered to supplement the diet and, when stored, could serve as a resource in leaner times.

The summer villages were reduced in population in the Fall when the hunters, often with their wives, would move to the interior in order to obtain food by fishing from the inland rivers, hunting geese, duck, and other wildfowl, and taking beaver, moose, or caribou. With the coming of January, the inland hunting pattern was interrupted briefly by a shift in emphasis back to the coast, where smelt, tom cod, seals, and walrus were available. During February and March, the small bands were dependent on hunting inland game such as beaver, otter, moose, bear, and caribou. Their success depended in large measure not only on the availability of game, but also on the snow conditions which determined the degree of difficulty of the hunt. Under extreme conditions, starvation would be the end result.

There are several aspects of the social organization of economic activity that should be mentioned. The first is the division of labour along gender lines. Ellice Gonzalez rejects the idea of a strict division of labour depicting men as responsible for hunting and warfare while women looked after food procurement, food preparation and storage, child care, and the manufacture of clothes, handicrafts, and utensils.[7] She argues that women were indeed engaged in these activities, but that considerable interdependence existed. For example, hunting was a co-operative activity, both men and women constructed snowshoes

and canoes, and women caught fish while the men prepared the traps and weirs. While the evidence may not support her conclusion that women occupied a dominant role in the economic cycle of the pre-contact Micmac, clearly their interdependent activities were necessary for survival in the aboriginal hunting and gathering subsistence cycle.[8]

It should be noted that, in aboriginal times, economic activities were organized on a community or settlement basis. While people lived in extended family groupings, it was the community headman who allocated hunting and gathering territories to household groupings. The latter thereby obtained rights to the area for a period of time, but "ownership" remained with the community. The product, too, was distributed on a community basis, in that a portion of all food produced by individual households was given to the headman, who in turn distributed it to those in the community, such as the widows and the aged, who could not provide for their own subsistence.[9] While individuals and families had personal possessions, Marc Lescarbot reports that the emphasis in the culture was on the sharing of belongings, rather than their accumulation.[10] Community-wide feasts and the ritual destruction of personal belongings at the time of death (apart from those needed in the land of the dead) helped to keep inequalities within bounds.

As in all hunting and gathering societies, there was little room for the accumulation of surplus.[11] While the Micmac traded with other groups – such as with the Armouchiquois for corn – the emphasis was on meeting local needs and on not taking more from the land and sea than was needed to satisfy those needs. Their spiritual world view emphasized the interdependence of all aspects of nature; since the animals also had their own spirit power, killing without a good reason could not be justified.

Almost all of these aspects of aboriginal society were destined to be changed substantially by the arrival of the Europeans, first through the development of the fur trade and then more substantially as a result of European settlement on Indian lands.

Early European Contact and the Fur Trade: 1500 to 1783

In aboriginal times, Micmac society no doubt had to face its share of challenges and adapt to a changing environment. The arrival of the Europeans, however, with designs on the Micmac's land and its resources, as well as the aim of converting them to European religions, occasioned major disruptions. Just when

they arrived in what is now Nova Scotia is still subject to debate, but it could have been as early as the closing years of the 10th century, when Norsemen are recorded to have landed at Newfoundland, Labrador, and Baffin Island. There is speculation that they travelled as far south as Florida at that time.

It was not until the 1500s, however, that more regular contact between Indians and Europeans was established. Explorers such as Cabot and Cartier made their presence felt in the early part of the century, but more important in terms of contact were the European fishermen. After the mid-point of the century, rather than salting fish on board ship, they began to use the coast for drying their fish, thereby extending their contact with the Micmac to a whole season at a time. One of the consequences was an increase in trade between the two groups, with the Indians exchanging furs and handicrafts for European knives and other iron goods, as well as foodstuffs. Because of the abundance and value of the furs, it was not long before casual trading with fishermen gave way to the organized fur trade, with the French establishing fur trading stations and ancillary settlements at Port Royal in 1605 and subsequently at Port Rossignol and La Have.

The main features of the fur trade have been well documented elsewhere and need not be reviewed here in detail.[12] For the Micmac, it was most important from about 1580 to 1700, with beaver pelts being the most significant item but trade also occurring in otter, marten, fisher, mink, bear, muskrat, moose, deer, ermine, and fox.[13] In the first half of the 18th century, the supply of fur-bearing animals in the region became more scarce and the main activity shifted to more western locations. As British control of the region increased, they, rather than the French, began to play the leading role in the fur trade, establishing truck houses at strategic locations to regulate and control the trade by offering fixed prices under government supervision.

In contrast to the difficulty that the Micmac had in coming to terms with settled agriculture at a later date, it appears that they adapted readily to the role of hunter and trader in the fur trade, building as it did on important aspects of their traditional lifestyle. The consequences, however, were substantial. European food and clothing goods, for example, which were among the items received in exchange for furs, were, respectively, less nutritious and provided less adequate protection against the climate than the diet and clothing of aboriginal times. Traditional family and leadership patterns among the Micmac were also affected. The adoption of European

food and clothing goods tended to undermine a major part of the contribution made by women to the subsistence of the Micmac household, and this, in addition to the prominence given to hunting with new tools, contributed to the ascendency of the male in the Micmac family. With respect to leadership, European traders often dealt with intermediaries to negotiate for furs, collect debts, or distribute presents, and these persons were not necessarily the same as those selected by internal and traditional mechanisms.[14] The missionaries further contributed to the undermining of Micmac authority figures by competing with the shaman, or "bouin", in the spiritual and medicinal realms. By challenging the traditional system of beliefs, with its stress on the need to respect the spirits of animals as well as of human beings, it is argued that the missionaries in effect removed a cultural constraint militating against the overexploitation of the natural environment.[15] Given also the demand for furs and the efficiency of the hunting tools, such as muskets, it is perhaps not surprising that the animal stock of particular areas was depleted and that intertribal hostilities increased as the hunters moved further afield to locate and exploit new territories.

The practice of production by and for the Micmac community was also altered by the fur trade. Economic activities came to be centered more on the hunting family as the basic production unit, rather than being organized by the community as a whole, and the idea that the land and its resources were for all to use gave way to certain lands being regarded as the preserve of a particular family. Rather than being distributed within the community for subsistence purposes, the product of the hunt was traded to an external agent, upon whom the hunting family became dependent not only as a purchaser of furs but also as the provider of food, clothing, and other supplies necessary for engaging in the hunt.

As the fur trade declined in the first half of the 18th century, there is reason to believe that the Micmac returned to some extent to the more balanced and seasonably variable subsistence pattern that characterized aboriginal times, a pattern which had been disrupted by the emphasis placed on hunting during all seasons. French missionaries attempted to establish settlements and encourage the Micmac to take up farming at locations such as Antigonish and Shubenacadie and on the shores of the Bras d'Or Lakes. While some of the women, children, and older people were content to settle in this way and while the missionaries made headway with regard to religious conversions, the attempts to introduce agriculture were to no avail as long as a more

nomadic lifestyle of hunting, fishing, and gathering was still possible for the bulk of the population.

In political terms, the situation became more difficult for the Micmac as they were increasingly drawn into conflicts between the English and the French for the control of the region. When British forces gained jurisdiction over much of the area following the Treaty of Utrecht in 1713, the French wanted to move the Micmac to Cape Breton, which was still under French control. Failing in that endeavor, they encouraged Micmac hostility and harassment of the British. The British for their part viewed the Micmac with suspicion, and indeed armed skirmishes took place on several occasions, beginning in 1715 and continuing at various times until the French fort at Louisbourg fell for the last time to the English in 1757.

A concern that became increasingly prominent in the 18th century was the matter of the Micmac's rights to their land. Under the French regime, the king claimed ownership of the land. "There was never any question of treating for the cession of Indian lands, no concept that the Indians had rights to be bargained for, no thought that they should be treated as a separate nation. Vast (land) grants were made to individual Frenchmen for their profit – (but) when Récollet missionaries tried to establish farming communities to assist in the conversion of the Micmacs, they arranged to purchase the necessary lands from one of the French grantees."[16] The British apparently assumed that the French had extinguished Indian land rights before they inherited much of Acadia with the Treaty of Utrecht, and that the Micmac were subsequently inhabiting lands belonging to King George I. Treaties of peace and friendship were made at various times, beginning in 1726, and were reaffirmed subsequently, but these were not land surrenders. Rather, they dealt with the terms of Micmac and British coexistence, whereby the Micmac would engage in trade and share lands peaceably with settlers in return for religious freedoms and the right to hunt and fish without interference. The royal proclamation issued in 1763 in the name of King George III, which appears to recognize the rights of Indians to the lands of British America (unless such lands were ceded or sold), was circulated by the governor of Nova Scotia but then was completely ignored. To the present day, the matter of aboriginal title to the land has not been resolved.

The main threat to Micmac use of, and rights to, the land came from European settlers. Although it was not a major problem in the fur trading period, the number of settlers was gradually increasing. A population of some 1500 Acadians was

recorded by 1710, largely located in settlements ranging from Port Royal through the Minas Basin to Beaubassin, and their numbers increased until their expulsion from Nova Scotia in 1755.[17] The English presence in the province during the early part of the century was restricted to the fort at Annapolis and a fishing base at Canso, but this, too, changed in 1749 with the establishment of Halifax and the arrival of some 2400 settlers. As surveyors made their presence felt in mapping out new sites for communities, Micmac concern about a takeover of lands they had traditionally used increased. It was not until the massive influx of Loyalist settlers from New England after the American Revolution, however, that traditional Micmac subsistence patterns experienced substantial interference from settlers.

While the fur trade occasioned significant changes in Indian economic, social, and cultural patterns, the fur trade economy was less difficult for the Indians to cope with than the settler economy that succeeded it. This was the case for several reasons. First, the fur trade built on pre-existing skills, thereby permitting a ready adaptation of aboriginal patterns in a manner that permitted the Micmac to retain their self-respect. Second, the fur trade provided a ready market for a product that the Indians could supply, in return for which they received either cash or goods in kind. In contrast to subsequent periods, therefore, the Micmac had an important economic stake in the prevailing economy of the time. Third, the fur trade represented a system of interdependence. While the Indians became dependent on European supplies and markets, the traders were dependent on Indian suppliers of the raw materials. It was not in the interest of the traders to coercively control or destroy the Indian society, and in fact the power balance between the two groups was such that they were in no position to impose coercive measures.[18]

Thus, it would be wrong to give the impression that the Micmac in this period were simply the passive victims of European exploitation, as historians have often depicted. They had sufficient numbers and strength, for example, to resist successfully British attempts to expand their fishing and settlement base. In geopolitical terms, their support or hostility was an important factor in the struggle between the French and the English for control of the region. They were occasional victors on the battlefront and they skillfully played off one side against the other by a mixture of threats and promises. Even in cultural terms, L.F.S. Upton describes the period at least to 1714 as one of non-directed acculturation, a time when neither Micmac nor European had the upper hand and each borrowed from the

other those traits or materials that were of the most use under the circumstances.

Nevertheless, there are signs that the Micmac were under seige. Perhaps the clearest indication is the rapid decline in population size. Virginia Miller has taken a careful look at various population estimates for the period in question. She suggests that there was a decline in the aboriginal population in what is now Nova Scotia from some 26,000 to 10,000 by 1761.[19] Initially, in the 1600s, one of the main factors that contributed to this decline was dietary changes which reduced resistance to endemic disease. In the following century, the Micmac faced several widespread epidemics, including smallpox and typhus. British campaigns to exterminate the Micmac – genocide, in effect – also took their toll, particularly under the leadership of Cornwallis after the founding of Halifax. Among other measures, Cornwallis offered monetary rewards for Micmac scalps, commissioned three companies to root out the Micmac, and ordered the destruction of forests by fire to interfere with Micmac subsistence patterns.

By the end of the period under consideration here, starvation was beginning to become prominent as a cause of population decline. Signs of indigence and petitions for relief made their appearance by 1767, a mark of the extent to which traditional sources of making a living had been disrupted. By the time the fighting associated with the American Revolution was completed in 1782, the opinion in official eyes was as follows: "the Indians were no longer of account as allies, enemies, or people. Nova Scotia was inundated with Loyalist refugees from New York. Its population tripled to forty-two thousand within one year. And in all the flood of correspondence concerning the details of that great migration, there is not one word about the Indians who would be dispossessed by the new settlers."[20]

The Micmac in a Settler Economy: 1784 to 1867

After the American Revolutionary War, settlers came to Nova Scotia rapidly and in large numbers. With origins in the United States as Loyalists, but also in the British Isles, Germany, and other European countries, they took over the most accessible and desirable lands in the province. They were naturally interested in land with the best soil for farming, in water power for sawmills and grist mills, and in access to the rivers and the sea for fishing. Consequently, their settlement patterns interfered with the seasonal subsistence patterns of the Micmac in such a direct and profound way that the results were calamitous for the aboriginal peoples. With regard to fishing, European settlements pushed

the Micmac to more marginal coastal and interior locations. Dams and mills interfered with the seasonal migration of fish, and those people in control of the river mouth were able to net the bulk of the catch before the fish could move upstream to where the Micmac fishermen were now more likely to be. The hunting of game was also negatively affected as the expanding settlements destroyed traditional habitats and food sources for game and as the Europeans entered into direct competition with the Micmac in the hunting of game for food and skins. In short order, not enough game or fish was available to the Indians for food, let alone for sale, and this resulted in enormous hardship during the whole of the period being discussed here.

Unlike the fur trade, then, the Micmac were not seen as being able to make a positive contribution to the new and dominating settler economy. Rather, they were regarded with fear and annoyance, as a hindrance to settlement in the early decades of the century in question, and subsequently as a group forever requiring relief payments from the public purse. Rather than an economy in which both whites and Indians were dependent on each other, Europeans clearly had the upper hand in terms of political and coercive power and both groups were in direct competition for available scarce resources—control over land and forests, access to game and fish, and so on.

After the fall of Louisbourg in 1757 when their former allies, the French, were no longer a factor to be reckoned with, the Micmac were overwhelmed as a people. In fact, they became virtually extinct, with only 1,300 people left at the nadir in the early 1840s. The most immediate and serious problem was the lack of food, due to the dislocations mentioned above. Miller argues convincingly that widespread starvation was the main factor responsible for population declines in this period, but of course the lack of food, clothing, and adequate shelter lowered their resistance to such an extent that the Micmac continued to be very vulnerable to epidemics of smallpox, hepatitis, typhus, and other diseases.[21] Their miserable living conditions also contributed to the contracting of tuberculosis in the decades following the 1830s. Numerous accounts are available of the extent of suffering endured by the Micmac in this period, among which the following description, written by Abraham Gesner, who was appointed Commissioner of Indian Affairs in 1847, is typical:

> Almost the whole Micmac population are now vagrants, who wander from place to place and door to door seeking alms.... They are clad in filthy rags.

> Necessity often compels them to consume putrid and unwholesome food. The offal of the slaughterhouse is their portion, their camps or wigwams are seldom comfortable and in winter, at places where they are not permitted to cut wood, they suffer from the cold. The sufferings of the sick and infirm surpass description, and from lack of a humble degree of accommodation almost every case of disease proves fatal. In almost every encampment are seen the crippled, the deaf, the blind, the helpless orphans, with individuals lingering in consumption which spares neither young nor old.[22]

The Micmac were, in Upton's words, reduced to the status of becoming curiosities in their own land – in travel brochures, in parades – at the same time as Nova Scotians were rapidly building what they have come to regard as the golden age of the province.[23] While the bulk of the non-Indian labour force was engaged in agricultural pursuits to meet the needs of families and local communities, a flourishing economy based on the export of fish, fur, and lumber was becoming established. Shipping and ship-building were also important as goods were transported to and from the West Indies and Great Britain by ships built in Nova Scotia. The point was not lost on the Micmac that the growing prosperity of non-Indian Nova Scotians was a direct result of the take-over of the resources that the Micmac had controlled for centuries. Not only did they not receive adequate compensation for what they had lost, but British policy was such that they were by and large excluded from the economic developments of the period.

In 1768, Britain turned over responsibility for local affairs to authorities based in Nova Scotia but provided few resources for the implementation of policies. With respect to Indian affairs, little attention was given to the problem in the late 1700s and early 1800s, except when a military threat loomed and it was feared that the Micmac might again become a factor as allies of the opposing side. At such times, a report on the condition and disposition of the Micmac was sought, and impetus was provided for the provision of relief supplies. Such supplies were regarded by the authorities more as charitable donations than as the fulfillment of obligations resulting from past agreements or obligations, and they took the form of blankets, potatoes, meal, fish, or bread. While the relief allocations were sporadic at first and always very limited in terms of the total annual amount provided (ranging in cost from 25 to 300 pounds for the whole province), the destitution of the Micmac necessitated regular

annual grants from 1827 onward. As starvation and disease took their toll, an increasing proportion of the total funds granted were used to pay the medical bills submitted by non-Indian doctors.

The Micmac's concern for the loss of their land, and the inadequacy of simply providing relief supplies as a response to the situation, kept the issue of land rights in the forefront. The initial response of the government to Indian petitions for land was to grant licenses of occupation. One of these licenses, for example, was issued in 1783 to "Anthony Bernard, chief of the tribe of Antigonish Indians, for them to occupy undisturbed the several villages and tracts they have improved and settled upon, on the river of the same name...with liberty of hunting and fishing as customary."[24] In the early 1800s, however, more attention was paid to the establishment of reserved lands, to be set aside and owned by the Indians. Some 1,000 acres were to be designated as reserve land in each county of the province, and indeed such reserves were gradually established in the first four decades of the 19th century. Initially, rough surveys were carried out, and by 1842 the first regular Commissioner of Indian Affairs, Joseph Howe, was able to report that some 22,050 acres had been set aside. For the most part, the land and sites were poor with respect to access to resources and potential for agriculture. The 1,000 acres that became the Bear River reserve, for example, were located well inland, on land that could in part be used for agriculture, but accounts of the time say that "the greater part is stoney, and of little value."[25]

A significant problem right from the beginning of the reserve system was that of the incursion of white settlers on reserved lands. At least two factors contributed. The Micmac, for their part, were in most cases not prepared to abandon quickly their nomadic lifestyle, particularly if the alternative in terms of settled agriculture appeared to be as risky or more so than their traditional patterns. Thus, they roamed within and outside the reserved lands and for the most part did not make intensive use of the areas set aside for them. The white settlers, for their part, either were not aware that they were intruding on Indian land, since the boundaries were not clearly established for many decades, or else ignored the fact altogether. In some cases, arrangements of convenience were made with individual Indians or band leaders. Since the settlers had an influential voice in the Legislative Assembly, resolutions urged on the government to remove non-Indian settlers came to no avail. Under these circumstances, the government concluded in 1859 that the only feasible policy was one of allowing the trespassers to purchase the

areas they had settled on, with the proceeds to be used for Indian relief and medical payments and for the encouragement of settled agriculture. Under these provisions, a number of parcels of land were sold, yet, while some settlers made partial payments, others were able to ignore this policy as well.

As far as the governments of the day were concerned, the main point of setting lands aside for individual Micmac bands was to encourage them to settle and to take up farming in a fashion similar to the non-Indian settlers. While the early relief payments included sporadic supplies of seed potatoes, hoes, and other agricultural supports, it was not until the 1840s that more serious efforts were made in this direction. The government's efforts were paralleled by those of the Catholic Church and by private efforts as well. A private organization, the North American Indian Institute, for example, established settlements at Shubenacadie in 1817, as well as at other locations. Through these efforts, some Indian farms were begun, but although a few lasted until the the 1940s, these were certainly the exceptions.[26] In all of the bands in the 1800s, only a few families attempted a settled way of life. Around 1840 at Shubenacadie, for example, only 12 families had cleared a total of 50 acres on which to grow and support potatoes, turnips, grain, hay, cows, and poultry. In the Annapolis Valley, the figure was somewhat higher, no doubt due to more promising agricultural conditions. In 1848, about a third of the families there were actively farming a total of 237 acres.[27]

On the whole, however, the policy was largely a failure, due in no small part to the lack of resources devoted to its implementation. As mentioned above, the provision of supplies was sporadic and very limited in quantity, and in many cases the seed potatoes for planting a spring crop did not arrive on time. If they did arrive, the level of hunger in the communities was such that the potatoes were eaten rather than planted. In addition, little if any technical advice on how to go about farming was provided. The poor quality of much of the Indian lands was also a factor, as was a major potato blight during the period from 1846 to 1848 that did not set a good example for achieving security through agricultural pursuits. Finally, there is some evidence of resistance by the Micmac not only to giving up a more nomadic life-style but also to the idea of assimilating to a European family farm model under which lands are subdivided, rather than held in common.

Apart from settled agriculture, the Micmac were also encouraged to provide supplies to the non-Indian settlers, particularly staves, hoops, shingles, and lathes. Again, however,

problems were encountered, not the least of which was the fact that the colonists were too poor to buy very much and that they were also quickly oversupplied from other sources. With respect to Micmac women, some thought was given to training them in the crafts of spinning and knitting, but there is no record of any concrete steps being taken in this direction.

Unlike the French in the previous period, the British authorities in Nova Scotia generally did not provide formal education for the Micmac. Any instruction that was received was through Catholic priests and was largely religious in nature. Settlement was seen as a prerequisite to education and vocational training, and for most of the period in question, educational matters were at best an afterthought. In 1829, for example, an act "to prevent the sale of Spiritous Liquors to Indians" was passed, and, as an afterthought, the addendum "and to provide for their instruction" was included. Under the provisions of the act, Indian children could be taught to read and write free of charge in any public school, but again there was no follow-through to see that education was actually provided. In 1842, under the urging of Joseph Howe, the Act for Instruction and Permanent Settlement was passed, providing for schools on the reserves. However, although Howe and his successors supported the tuition costs of individual Indians in neighbouring schools, it was not until after Confederation that reserve-based schools were actually established.[28]

In sum, while the level of government attention and resources devoted to the Micmac increased as the 19th century wore on, there are many examples of both a limited political will to deal with the issues and a limited capacity actually to influence events. As Upton puts it, the Micmac "continued to regard their homeland as a unit, and the whims of individual governments affected only a portion of their existence. They refused to give up the seasonal rhythm of their lives; they refused to stay put on reserves, and they continued to travel across the land as before."[29] As before, then, they hunted and trapped in the woods, they moved to coastal areas insofar as possible for fishing in the spring and summer, and they continued to gather nuts and berries. But they clearly no longer had the resources and freedom to carry out these pursuits as they once had, and these sources became a declining portion of total subsistence. They had to come to terms with the economy of the Europeans, and under their own initiative they did make several interesting adaptations.

One of these adaptations was to turn their knowledge of the natural environment to advantage by becoming guides to European sportsmen and travellers—an occupation that is still

found in contemporary Micmac communities. In addition, the Indians in the Bear River area made their livelihood for much of the 19th century by hunting porpoises, the blubber of which was dried and boiled into oil. The latter was sold to settlers as a lubricant until commercial oil became available early in the present century.[30] Finally, Micmac women built on their traditional skills and developed a market for handicrafts, particularly items such as baskets, cases, sewing boxes, and chair seats. The crafts were carefully constructed and beautifully decorated with dyed porcupine quills or beads. Observers of the time leave the impression that virtually all Micmac women were engaged in handicraft production, as are a substantial number of both men and women in the present day. Sales of handicrafts provided a dependable source of income for Micmac households and meant that summer settlements were often located in the vicinity of the towns.

As the period under discussion drew to a close, and with it the end of Nova Scotia's responsibility for Indian affairs, there are some indications that the general social and economic situation was at last becoming more stabilized and even improving marginally. The size of the population, for example, reached its lowest point in the early 1840s and subsequently increased slowly but steadily. There are also occasional reports from surveyors and others to the effect that conditions were beginning to improve, although the trend was not uniform across the province. A certain Mr. Dodd, for example, had the following typically ethnocentric comments to make about the Chapel Island community:

> (I) was afforded a good opportunity of judging of the general appearance and habits of the Indians, in which there is evidence of a decided improvement as compared with their state in former years. This is, without doubt, attributable to the advance of temperance amongst them... There is also seen a growing disposition...to elevate their moral and social position, as manifested by their increased attention to the improvement of their habitations, and to the cultivation of the soil. On the reserve near Chapel Island, there were observed thirteen log houses, each of them surrounded by a portion of cultivated ground. The island itself contains the chapel or Indian place of worship and a house for the priest's residence.[31]

Labour in the Industrial Economy: 1868 to 1940

In the post-confederation period through to World War II, there were perhaps two major influences that served to transform Micmac ways of making a living. These were Confederation and the assumption of federal responsibility for Indian affairs, and industrial developments in Nova Scotia and New England.

The influence of the federal government became evident almost immediately with the appointment of federal Indian agents to monitor the affairs of each reserve and document its activities in regular reports. By 1876, the Indian Act had been passed, and 1880 saw the establishment of a separate department of the federal government to deal specifically with Indians. The act defined for the first time who was and who was not to be considered as an Indian in Canada; it established elections for chiefs and band councils, and it defined their very limited powers in relation to federal and provincial authority. These events represented a substantial increase in the level of government interest in Indian affairs and a significant step toward the establishment of the legal and administrative framework that has led in more recent times to the very thorough control of virtually all aspects of Indian life. While provincial authorities had, in the period before Confederation, promulgated policies and laws relating to native people, their financial and administrative capacity to implement them had been severely constrained. Such was not the case after Confederation, as exemplified by the field of education, which witnessed the construction of several Indian schools by 1893 and the enforcement of the decree that schooling would be compulsory for all seven- to sixteen-year-olds after 1920.

Like their provincial predecessors, however, federal agents continued to promote the idea of establishing a stable, sedentary population that would be engaged in agricultural pursuits. Their efforts in this respect were reinforced by the continuing trends of non-Indian settlement, land clearing, and other forms of interference with the traditional hunting and fishing patterns of the Indians. Federal agents provided the seeds for the planting of crops, assisted in the purchase of implements and livestock, arranged for neighbouring non-Indian farmers to plow the land at the appropriate time, and carefully recorded the results of these efforts in their annual reports.

Gonzalez has compiled the statistics that these reports have yielded, and they demonstrate a steady increase in the number of acres under cultivation during the period from 1880 to 1900, at which time some 3,300 acres were devoted to agricultural purposes (see Table 2.1). Other measures show that the number

Table 2.1
Micmac Agriculture (1880 to 1945)

	Acres Cultivated	Livestock[a]	Poultry	Grain[b] (bushels)	Hay (tons)	Potatoes (bushels)	Large Implements[c]	Small Implements[d]	Total for All Implements
1880	607	135	---	661	---	4,874	44 -	64 -	108 -
1885	1,423	286	---	1,107	---	7,469	70	559	629
1890	---	---	---	---	---	---	---	---	---
1895	2,367	308	---	1,733	---	6,655	64	320	384
1900	3,299*	410	610	672	863*	5,560	101	510	611
1905	2,390	434	---	651	759	4,856	258	654	912
1910	2,520	494*	1,154	2,060*	657	8,485*	190	725	915
1915	2,084	436	1,390*	1,560	606	6,821	146	1,511	1,657
1920	2,126	383	1,204	2,028	693	6,135	289*	2,473*	2,762*
1925	1,333	277	893	1,074	396	5,247	247	2,210	2,457
1930	1,968	248	536	1,106	354	4,242 -	231	1,342	1,573
1935	773	248	680	625	189	5,087	263	1,029	1,292
1940	363 -	331	620	554	315	---	187	1,257	1,444
1945	640	127 -	200 -	426 -	183 -	---	55	675	730

a Includes horses, cows, sheep, pigs, oxen.
b Includes corn, wheat, oats, barley, rye, buckwheat.
c Includes plows, harrows, wagons, threshers, mills, reapers.
d Includes tools and small implements.
* Highest total production year.
- Lowest total production year.

Source: Raw data from "Annual Reports 1880-1945," as compiled in Ellice B. Gonzalez, *Changing Economic Roles for Micmac Men and Women: An Ethnohistorical Analysis*, Canadian Ethnology Service Paper No. 72 (Ottawa: National Museums of Canada, 1981), p. 89. (Hereinafter cited as "Annual Reports 1880 - 1945".)

of livestock, implements, and the yield from grain and other crops reached substantial proportions during the period from 1900 to 1920.

Two other forms of agricultural involvement were also important in the decades with which we are concerned here. First, Micmac families not only undertook farming themselves, but they also joined the agricultural labour force in Nova Scotia and farther afield. In the province, Indians living in or near the Annapolis Valley became involved in the harvesting of fruits and vegetables as these crops became an export staple of the province. In other areas, Micmac labourers could be found working on farms owned by non-Indians, helping to plant and harvest hay or potatoes, working with livestock, and so forth. When the wheat economy expanded in Western Canada, the Micmac were part of the labour force that was attracted to the area on a seasonal basis, especially during the period from 1924 to 1930. Whole excursion trains were organized, with tickets provided in advance by western employers and the cost subsequently deducted from wages.[32]

The 1920s and 1930s also saw the Micmac begin to travel to Maine and other parts of New England in large numbers in order to engage in the harvesting of blueberries, potatoes, and other crops. Often whole families would make the trip, which became as much a social as an economic occasion. This pattern became very widespread and continues on a reduced scale to the present day, to the extent that it is a standing joke in Micmac communities that no meetings or other events can be organized in the month of August because everyone will be away picking blueberries in Maine. In a 1981 survey of adult Micmac residents of Nova Scotia, we asked whether the respondents had, on a regular basis in their lifetime, gone to New England for harvesting. The results are shown in Table 2.2 and indicate both the substantial numbers involved and the fact that the pattern has been more prevalent among middle-aged and older respondents.[33]

Various forms of involvement in agriculture, therefore, provided the Micmac with produce to be used in their households, with a surplus that could be exchanged or sold, and with a cash income derived from wage labour. Yet, while agriculture provided some opportunities for wage labour, industrial developments in Nova Scotia and New England were more significant in this respect, providing the second major influence on Micmac employment prospects in this period.

Nova Scotia's industries developed unevenly between Confederation and 1940, as Saunders and others have

delineated.[34] The celebrated wood-wind-sail economy of Nova Scotia's Golden Age foundered as steamships and railroads undermined the shipbuilding and shipping industries. This, in turn, reduced the demand for lumber production. The cod fishing industry in the period following Confederation also suffered from technological change and the availability of alternative foodstuffs, such as Western beef and fresh fish. Small scale manufacturing in industries such as tanneries, candy, and textile factories, and flour and grist mills flourished in the period before the turn of the century, but then were negatively affected by more large-scale manufacturing industries located in Central Canada. The periodic depressions of the world economy also affected Nova Scotia, particularly in the period after World War I and from 1929 to 1936.

Table 2.2
Micmac Spending More than One Year Harvesting in New England, by Age Group for the Adult Population in Nova Scotia: 1981*

Age Group	Harvesting in New England (Per Cent)	(Number)
15-19 years	41.5	68
20-24 years	37.1	129
25-34 years	48.7	273
35-54 years	54.9	311
55 years and over	44.9	142

* The adult population is defined as those individuals who are 15 years of age and over and who are no longer in the regular public school and high-school system.

Source: DAL/UNSI Data Base.

The province's industrial base did adapt to changing conditions, however. While the lumber and sawmill industries suffered periodic reverses due to depleted timber stands and competition from British Columbia, the pulp and paper industry became solidly established in the province. Coal, steel and iron

production in Pictou County, Cape Breton and other locations reached a peak in the period from 1880 to 1915. Agriculture and food processing also became more export-oriented through crops such as potatoes and apples, although the vagaries of tariffs, disease, and weather made for rather uneven growth.

Overall, the province experienced significant sectoral shifts in the employment of its labour force. Of particular significance was the decline in the proportion of the labour force engaged in agriculture, fishing, and hunting; this sector made up almost 75 per cent of the labour force in 1871, but had declined to 20 per cent by 1941.[35] Substantial growth was recorded in the number of people engaged in manufacturing, mining, trade, and government service as the province left behind the characteristics of the settler economy and moved with faltering steps into more diversified and industrially based ways of making a living.

In contrast to their experience with the settler-based economy of previous decades, the Micmac of Nova Scotia were able to make some inroads into the industrial labour force. Our respondents, recalling the employment patterns of the Micmac in the first four decades of this century, suggest that Indians were involved in various types of manufacturing and related industries across the province.[36] At Bear River, for example, a number of Micmac men worked in the town's dowell factory between 1900 and 1930. Micmac women from the Bear River and Annapolis Valley reserves are known to have taken part in the seasonal fruit and vegetable processing activities. In the Shubenacadie area, the loading of lumber at sawmills onto flatcars is mentioned, as is the work that four or five Micmac men had on a year-round basis at the L.E. Shaw brick works. Pictou area residents found employment at local lobster factories or in loading boats with the products of the pulpmills and coal mines. In Cape Breton, the production of pit timbers for the coal mines, the construction of the steel plant, and the loading of ships with lumber and pulpwood are among the activities mentioned.

Work in construction also became prominent after the turn of the century. While Millbrook residents began to establish their now long-standing specialization in masonry work, many other Micmac became involved as wage labourers in public construction projects. These were usually financed by the federal Department of Public Works, which apparently took on Indian workers as a matter of policy. Micmac from most parts of the province participated in the construction of the St. Peter's Canal in the first decade of the century and in the construction of the New Glasgow water and sewer works in the next decade. Work

on the construction of highways and railroads is often mentioned, as is the building of federal facilities such as the army training base at Debert.[37]

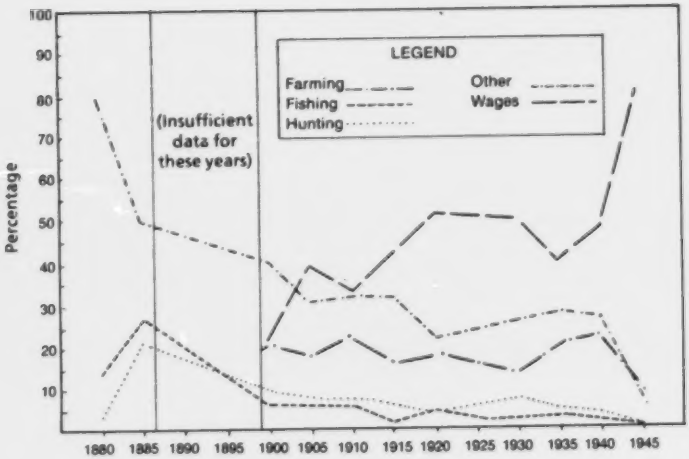
If employment could not be found in Nova Scotia, the Micmac (as was the case with non-Indian Nova Scotians) were quite prepared to travel south and west in search of work. The expanding industries of New England were particularly important. Shoe factories, textiles, and other forms of labour intensive manufacturing gave many Micmac men and women their first exposure to an industrial way of life and established the basis for a substantial Micmac colony in cities such as Boston.[38] The extent to which the Micmac would travel in order to obtain work is illustrated by those men and women from reserves in western Nova Scotia who went to Philadelphia to work for two basket-manufacturing companies until they closed in 1930.[39]

The industrial economy also sustained some forms of Micmac self-employment. For example, coopering activities involving the production of barrels, axehandles, pick handles, and the like found a market in the construction, coal, and apple-processing industries. Earlier we mentioned the masonry work of the Millbrook tradesmen, who eventually came to serve a provincial market as construction sub-contractors, as well as the guides and porpoise hunters of the Bear River reserve.

Other forms of self-employment included the making of recreational and household items, both those of a utilitarian nature, such as hockey sticks, oars, snowshoes, buckets, or wash tubs and those of a more expressive crafted nature, such as baskets, chair seats, or moccasins decorated with porcupine quills or fancy beaded work.[40] Handcrafts were peddled from door to door by women and children and were often bartered for food and clothing. Sammy Louis, profiled in the book by William Sayres, describes how his mother adjusted the price of her baskets (which ranged from $0.20 to $1.25 in the 1920s) in order to procure a pound of butter or to cover the cost of the taxi required to transport them from the reserve to the area where her customers lived.[41]

While self-employment continued to be an important source of income for the Micmac, the major trend in the period under discussion was the growth in the significance of wage labour, derived from industrial, construction, and agricultural work. The federal Indian agents estimated the major sources of income in their annual reports, and Gonzalez has tabulated these figures (see Figure 2.2). While the reliability of the data can be questioned, it does clearly indicate the growth in importance of

Figure 2.2
Sources of Micmac Income: 1880 to 1945



Note: Discrepancies in the total percentage can be accounted for by the omission of income derived from annuities, mines, and timber resources.

Source: "Annual Reports 1880-1945", p. 89.

wage labour income at the expense of the activities that had been more prominent in earlier periods, such as fishing, hunting, and artisanal activities (the latter identified in the figure as "other"). This is not to say that trapping, hunting, fishing, or handcrafts ceased to be practiced across the province, but rather that they receded in significance as a source of livelihood in relation to the importance of wage labour and other sources of cash income.

The seasonal variation in Micmac work continued, however, and there was little year-round stable employment in evidence. A typical pattern involved trapping, fishing through the ice, logging, and handcraft production in the winter months. In the spring, fishing, planting crops, participating in river drives of logs, and loading ships was common, and many of these activities, plus the tending of crops or construction work, would carry over into the summer. Hunting, fishing, guiding, and the harvesting of crops would be prominent features of the fall season.

Work patterns also differed for Micmac men and women. The latter were less involved in the cash economy, with the notable exception of handcraft sales and domestic work in non-Indian homes. They tended to stay on the reserves to maintain their households, particularly once there were small children in the family. Here, their main occupations revolved around child-rearing, maintaining the household and garden crops, and joining in the harvesting in the fall. The women prepared and preserved food, obtained clothing for the family, and provided a focal point for the network of social relationships on the reserve.

While Micmac men were more mobile than the women and children, there is ample evidence of entire families participating in a work effort together, travelling to live at the work site for several weeks or months. Women moved with their families into the winter logging camps, contributing to the work effort by cooking and by peeling bark. From the early 1930s, as mentioned above, the annual potato and blueberry harvest attracted entire families year after year. This back-breaking work, paid on a piece-work basis, could nevertheless provide a family with enough cash in a good year to see them through the winter months.[42]

The general impression that emerges from accounts of the period is that the Micmac struggled to earn a foothold in the prevailing economy of the time. It is clear that their participation in the non-Indian economy was at the margin—in labour much more than skilled trade or managerial jobs, in short-term construction of highways and steel plants rather than in the more long-term unionized jobs that developed subsequently, in seasonal harvesting and in migration from one place to the next

depending on where the jobs were. Their own businesses remained, by and large, quite small and were restricted for the most part to self-employed craftsmen, tradesmen, or farming activity. Yet, in comparison to the settler economy, there is considerable movement away from the conditions of absolute destitution that prevailed after the collapse of the fur trade. Living conditions fell in the category of rural poverty – birch bark wigwams and tar paper shacks were still the predominant means of housing well into the twentieth century and were only gradually replaced with frame houses. When the Wallises first visited Indian Brook in 1912, outhouses were not to be found, but they were widely in evidence by their second visit in 1950.[43]

While making a livelihood in the winter months could still be grim, for the most part the Micmac established a degree of self-sufficiency and independence that lasted at least until the Great Depression. This is acknowledged by Gonzalez, who concluded that the period allowed "if not prosperity, at least the absence of devastating poverty".[44] It emerges, too, in the interviews conducted by Julien, who suggests that Indian people worked very hard to maintain a fair livelihood for themselves and their families.[45]

The period under discussion is notable, then, for its demonstration that the Micmac were able to establish a reasonable degree of self-sufficiency through their own self-employment and through wage labour on the fringes of the non-Indian economy. The signs that this trend was not to continue were first seen in the depressions of the 1920s and 1930s, when the Micmac began to lose their marginal foothold in the economy. Up until this time, welfare and other forms of relief payments had still not become widely available and were restricted largely to the aged and infirm. As Table 2.3 indicates, however, the level of outlay of welfare and related expenses began to rise more sharply in the 1920s and took an exceptional jump at the onset of the Great Depression. What had changed was not only the worsening of economic conditions, but also the fact that the federal government was prepared to alleviate hardship through the use of welfare payments, in contrast to the response of provincial authorities a century earlier.

While the Depression created extensive hardship for non-Indians as well, the situation of the Micmac was made worse in two respects. First, as indicated above, the Micmac by and large occupied more marginal and vulnerable positions in the economy than did much of the non-Indian labour force. Second, there are repeated references to the perception that the Indians were wards

Table 2.3
Statement Indicating the Indian Population of the Maritime Provinces and the Annual Expenditure for Administration, Education, Medical Care, and Relief and Welfare during the Fiscal Years 1910/11 to 1939/40, Inclusive

Census Year	Number of Indians
1911	4,120
1916	4,295
1924	3,748
1929	3,828
1934	4,051
1939	

Fiscal Year	Yearly Expenditure Since 1911
1910/11	$ 54,779.26
1911/12	57,766.73
1912/13	65,861.64
1913/14	75,535.46
1914/15	72,867.07
1915/16	70,308.56
1916/17	70,621.88
1917/18	69,587.48
1918/19	72,556.24
1919/20	81,384.25
1920/21	102,249.58
1921/22	113,237.26
1922/23	118,995.02
1923/24	150,638.30
1924/25	149,102.17
1925/26	179,674.24
1926/27	205,045.02
1927/28	228,714.24
1928/29	367,654.52
1929/30	345,515.50
1930/31	318,091.39
1931/32	297,563.94
1932/33	296,269.61
1933/34	272,522.45
1934/35	252,067.28
1935/36	271,986.22
1936/37	284,332.95
1937/38	270,868.03
1938/39	274,950.00
1939/40	323,352.10

Source: W.S. Arneil, "Investigation Report on Indian Reserves and Indian Administration, Province of Nova Scotia" (Ottawa: Indian Affairs Branch, Department of Mines and Resources, August, 1941).

of the federal government and that it would look after them in time of hardship. W.S. Arneil, for example, writes the following:

> At the moment [1941], employment in Nova Scotia is plentiful due in the main to our war effort. The attitude of the local employer, it should be emphasized, is at times very prejudicial to the Indian seeking employment. This attitude was very much in evidence throughout the depression. The local employer, in his endeavour to keep down local unemployment costs, never hesitated to give the preference to the white man. The claims of the Indian for employment, the Indian being a ward of the federal government, he could afford to ignore. It is my opinion that the average employer will not hesitate to display the same attitude should unemployment become prevalent in the future."[46]

The stage is set, then, for the transition to a new period in the economic history of the Micmac. Beginning in the 1940s, the hallmarks of the new period are the extensive intervention of the federal government and the unparalleled use of welfare payments as the main public policy response to the difficulty the Micmac were increasingly experiencing in the labour market.

Centralization, Welfare, and Government Dependence: 1941 to the Present

We do not have reliable figures on the unemployment rate of the Micmac in Nova Scotia at the beginning of this period. As discussed in the last section, however, various indirect indices, such as the accounts of the period and the limited expenditures on welfare-related costs, suggest that most of the Micmac labour force was employed in one fashion or another in the first few decades of the twentieth century.

By 1976 the unemployment rate, as measured fairly precisely by our own data base, had grown to 66 per cent of the labour force, and rates of welfare dependency had increased correspondingly. As we have noted, the Micmac began to lose their rather tenuous foothold in the industrial economy beginning with the depression following World War I, a trend that accelerated in the Great Depression. World War II provided a respite in the sense that large numbers of Micmac men enlisted and served overseas, as they had done in the war of 1914 to 1918. Many others enlisted in the reserves or militia.[47] Thus, the trend toward rising unemployment, which has its roots in the fact that

Micmac labour is apparently surplus to the needs of the prevailing regional economy, was held in check for a few years but not for long.

In the period following 1940, the federal government began to play a very significant role in the lives of the Micmac. Increasingly concerned by rising unemployment and welfare costs, the government's response to the situation took two forms. First, it attempted a major consolidation and centralization of reserves in the province on the grounds that economies of scale would result and that the larger communities could become self-sustaining economic and social units. When this policy proved to be a failure, a fact that was evident by the early 1950s, the dominant public policy response was to buy off the problem, initially by the extensive provision of welfare and other forms of income security and, in more recent years, through the expenditure of public funds to create jobs.

We begin with a review of the centralization policy, a misguided step that had a profound effect on the Micmac communities of the province. In 1941, the Indian Affairs Branch of the federal government commissioned an investigation by one of its agents, W.S. Arneil, into Indian reserves and their administration in Nova Scotia. His report culminated in a decision by the federal government to attempt to centralize the forty scattered reserves of the province into two locations, at Eskasoni in Cape Breton and at Shubenacadie on the Nova Scotia mainland.[48] This move had been under consideration for a couple of decades. It was implemented shortly after Arneil's report was received, and therefore it is likely that the reasoning elaborated in the report was accepted in whole or in part by the government of the day.

Arneil advanced several broad rationales for proceeding with centralization. First, he argued that consolidating the reserves into two locations would serve to arrest the spiralling costs of welfare and other expenditures, such as medical care, education, and administration. He pointed out that, while the size of the Micmac population had remained largely the same for the previous three decades due to outmigration, the annual costs to the Department of Indian Affairs had increased from $16,533 in 1910/11 to $163,878 in 1940/41. Reduced costs and improved services, he argued, would be achieved through realizing economies of scale in several areas. Rather than having part-time doctors tending to a dispersed population and charging exorbitant fees, it would be possible to employ full-time medical health officers and provide adequate hospital facilities and a health program. Arneil alleged that local merchants were

charging higher prices to Indian than to white customers, and were substituting less nutritious food items for those for which the Indians paid. With centralization, the co-operative buying of supplies at larger stores could be encouraged. In education, consolidated and graded schools could be established; in administration, the number of Indian agents could be reduced from the nineteen people currently employed on a part-time basis; and in business, economies of scale would encourage the development of local industries, such as sawmills and building supply outlets.

The arguments for centralization also contained a strong moralistic, paternalistic, and racist element. Arneil despaired at the prospect of reducing welfare costs which were, he stated, swollen by the number of illegitimate children, a problem difficult to rectify while Indians continued to live in small groups close to white settlements:

> One cannot expect from our Indians a moral code which would reduce illegitimacy to that of a white community, but one can expect, with supervision and spiritual care, a vast reduction in the number of illegitimate cases resulting from the cohabitation of very young girls with coloured labourers and transient whites, as well as women who, although married to Indians, have children with distinct Negro features.... One is forced to the conclusion that the progress of the Nova Scotia Indian at this stage in his development is likely to be determined by his willingness to accept the spiritual guidance extended to him by his Church. Indeed, one might say that the closest possible contact with the Church and his spiritual advisor is indispensable.... The Indian must be taught to care for his body and to use his hands, and education aimed at this objective will be most effective if closely allied with religious instruction and spiritual guidance.[49]

The conclusion he came to is the following:

> My first recommendation is that that portion of the Indian population, the majority I should state, now in receipt of Department assistance should be established on one of two comparatively large reserves, one on Cape Breton Island and the other on the mainland, and that the existing reserves be sold. I recommend also that the remaining portion of the population who are

> not at this date in receipt of relief and who contend that they are capable of providing for themselves be permitted to retain their present holdings. The members of this group should, in my judgement, be encouraged to assume the full duties and responsibilities of Canadian citizenship by seeking enfranchisement. If these changes are to be effected at any time in the immediate future, it is scarcely necessary to add that the Department will have to secure the sympathetic cooperation of the Chiefs and the Church."[50]

By late 1941, accordingly, the centralization process was underway. Thomas Gideon was one of the Indians who recalls the inducements that were offered in order to get people to leave their smaller reserves:

> The Indians on the smaller reserves wanted to stay on their reserves instead of being moved to another location, since quite a few of the people were employed near their reserves... However there were more Indian people that were unemployed and were living in poor conditions. So the IAB took advantage of the poor conditions and promised a lot of the people that if they would either move to Shubenacadie or Eskasoni they would get the following benefits: they would get jobs, new homes, schooling for their children, medical services on the reserves, churches with priests living on the reserves, farms with livestock of their choice. Also, the homes will be so complete that all you'll have to do is turn the key and move in. This was the way the Indian people were tricked into leaving their homes to centralize on the two Reserves. You see, this really sounded good to the Indian people since they didn't really have anything from the beginning and the promises were really something to behold.[51]

We are fortunate in having first-hand accounts of the centralization process and its impact on the two reserves targeted for growth.[52] Sheila Steen describes Eskasoni in 1950, just at the time when the centralization thrust had ended.[53] She underlines particularly the loss of isolation and autonomy that centralization entailed in a variety of areas. As with the other Cape Breton reserves, contact with non-Indians had not been frequent except for occasional visitors to the reserve. With

centralization, control of community affairs shifted to non-Indian hands. In law enforcement, for example, an RCMP officer and the Sydney court system began to be used, taking disciplinary measures out of Indian hands. In the health field, a nursing station was established and the more permissive Indian child-rearing patterns were interfered with. Bottle feeding of infants replaced breast feeding, and births were now expected to take place at the hospital in Sydney. Band government had been exercised by a traditional chief and, in more recent decades, by the more central family heads, but they were replaced by the Superintendent of Indian Affairs and his local Indian agent, who had the power to decide any civil or criminal matter. In matters of religion, the reserve now had a resident Catholic priest who looked after the organizing of religious services, a function previously performed by the elders of the community. The priest and several nuns also were put in charge of the reserve-based school, which in 1949 catered to 161 pupils in grades one through nine. Steen reports that the nuns directed a vigorous campaign, aimed at both the children and their parents, to encourage the use of English rather than the Micmac language, which was the only language spoken at home.

Centralization resulted in almost all of the inhabited reserves in the province losing population to Eskasoni and Shubenacadie. Those Indians who moved were not only those receiving welfare, as Arneil had intended, and the result was that a substantial number who had made successful economic adaptations at their small reserves through small-scale farming and the like had to give up these activities. Steen makes the following comment:

> Prior to the centralization program, the Indians were fairly self-sufficient. They worked their small farms, hunted a little, and procured jobs on their own initiative. The reserves on which they lived had been home to them and their forebearers for generations. Their forced migration away from these homes was, to say the least, an unsettling experience. Many came to Eskasoni in late middle age to start life anew. Such people, perplexed by the novel situation, seek constant guidance in their new environment. Individuals are becoming increasingly dependent upon the government, not only for their support but for the very ordering of their lives."[54]

At Eskasoni, the centralization program did create jobs initially, particularly those building the houses and other structures required at the reserve and staffing the new institutions. Among the full-time occupations were those of store clerk, store buyers, dairy foreman, mill sawyer, government grounds watchman, constable, and bus driver. Part-time or seasonal jobs were found in clearing land and hauling logs to the sawmill (for 50 cents an hour), working in the sawmill, gardening, a bit of farming, and in construction labour.

More traditional activities declined. Steen reports that hunting and trapping were now pursued only occasionally and amounted mostly to memories in the minds of middle-aged and older men. She states that the Micmac man now stayed in his house during the winter, venturing out only to tend to the cow or gather firewood even though game was still plentiful in the woods. Fishing was also disorganized; only one man speared eels for a living, while others caught fish on occasion for their suppers. With regard to woodworking, baskets were still made, with 100 baskets yielding in the vicinity of $200, but no other crafts were practiced, not even bead or quill work or the making of moccasins.

The difficulty with the jobs created by the centralization process, of course, was that many of them were dependent on the temporary conditions created by many new families moving to the reserve. In fact, many of the jobs disappeared in the 1950s, and there was little available in the new location to replace them. Writing in 1950, Steen accurately predicted the course of events:

> The government officials have made it a policy to discourage individuals from seeking either temporary or full-time work beyond reserve boundaries. They are interested in seeing the community develop through the cooperative effort of all its members. However, despite the fact that the majority of the male working population at Eskasoni is now engaged in clearing the land, and completing the new homes, these jobs will, in a short time, no longer require as many hands. In view of the fact that the Eskasoni men are not prone to take up farming as a full-time occupation, it is difficult to see exactly what jobs will be open to them on the reserve."[55]

The situation was similar at Shubenacadie, where Wilson D. Wallis and Ruth Sawtell Wallis also found considerable activity associated with centralization: "In June 1950 there was an air of

bustle and movement about the place. The sawmill was booming in the middle of the long road lined with new frame houses and in the yards were cars, bicycles, children's wagons, store-bought swings."[56] Again, however, the employment was not to last. Andrea Sapp indicates that the available trees were quickly used up and that jobs related to house construction and sawmill work evaporated after the initial burst of activity.[57]

By the mid-1950s, Gonzalez reports, it was obvious that the resettlement program was a failure.[58] She says that as early as 1949, at least half of the Micmac population had moved back to their original reserves. While the quality of services provided at the centralized locations, such as health care and housing, may have been an improvement over what had been available before, the long-range effect of the policy on employment was more negative than positive. Much of the economic equilibrium that had been achieved at the smaller reserves was destroyed, and the new jobs created by centralization did not prove to be long-lasting.[59]

Subsequently to the attempt at centralization, government policy in the last three decades has proved to be less imaginative and no more effective at solving the underlying employment problem facing the Micmac labour force in the province. As mentioned above, following the end of World War II and the short-term employment creation effects of centralization, levels of unemployment resumed their upward movement. The government responded with the provision of welfare payments on an extensive scale, a trend that continues to the present day. While substantial investments have also been made in improving levels of education, housing, and health care and in promoting economic development, it is the welfare payments and related income security measures that make up the single largest expenditure item in the budget of the Department of Indian Affairs. Some empirical indicators of current levels of welfare dependency in contemporary Micmac communities are presented in the next chapter.

In addition to providing income security measures, the federal government has also taken to providing employment itself, either directly or indirectly. There are four measures that deserve mention in this respect.

First, the last three decades have witnessed the substantial development of band-based governments. In 1951, the Indian Act of 1876 was revised to permit a further measure of self-rule at the reserve level. While the Department of Indian Affairs initially exercised strict control through its agents over the exercise of authority by band councils, the latter have, over time, assumed

increasing levels of control over the administration of government programs and, more recently, over their design as well. The number of Indian band staff increased steadily during the 1960s and 1970s as the bands looked after the administration of programs in welfare, housing, economic development, community development, educational counselling, and band administration. In recent years, in fact, the band councils have become the largest employers of the on-reserve labour force.

The second measure taken by the federal government was the provision of public funds, which have supported the growth of other Indian organizations. The Union of Nova Scotia Indians was established in 1969 as an umbrella political organization. Partly through its initiatives, a number of other organizations have come into being in order to provide particular services. The more prominent of these are the Micmac Association of Cultural Studies, the Native Communications Society, the Native Alcohol and Drug Counselling Association, the Native Women's Association, and the Micmac Friendship Centre.

Third, federally funded make-work projects have become very important in Indian communities. Usually directed at the building and the repair of houses, these projects regularly employ large numbers of Micmac males under the guise of Local Initiatives Programs, Canada Works Programs, or Work Opportunity Programs. (A discussion in the following chapter demonstrates the importance of these projects.)

Finally, federal public funds have, to a degree, been invested in Indian economic development projects and thereby indirectly subsidize some additional employment on the reserves. While some success has been achieved in the development of very small owner-operated businesses, such as beauty salons, auto body shops, fuel oil delivery services, and grocery stores, the more ambitious ventures have not been successful. The latter include a sawmill at Shubenacadie, oyster farms on reserves adjacent to the Bras d'Or Lakes in Cape Breton, a motel at Millbrook, and a furniture manufacturing facility at Eskasoni, to name a few of the more significant ones in recent years.

In the last couple of decades, then, the number of federally funded work opportunities, usually located on the reserves, has increased enormously. By 1980, fully two-thirds of the employed on-reserve labour force was directly or indirectly dependent on federal funds for their work, and virtually everyone outside the labour force or without employment was in receipt of welfare payments or other forms of income security. As work opportunities in the industrial, service, and primary resource industries in the region have declined for the Micmac, the

Indians have become increasingly dependent on reserve-based and publicly funded employment for their livelihood.

Centralization, welfare dependence, and publicly funded employment are the most prominent features of the period from 1940 to 1980. In other respects, the employment patterns of the Micmac that are documented in the last section did not change significantly. People still fished, planted their gardens, made handcrafts, or went on seasonal harvesting expeditions as before. Others cut pulpwood, loaded boats, sought employment in New England, worked on public works projects, or plied their trades as painters, drywallers, or carpenters. Empirical data on these contemporary employment patterns are presented in the next chapter.

Conclusion

When one reviews the history of the Micmac, it becomes apparent that a remarkable amount of change has occurred since the 1500s in basic ways of making a living. We have traced their passage through aboriginal times, the fur trade, the settler economy, the period during which they worked on the fringes of the industrial economy, and the recent period during which they had been sustained largely by government funding. Those who have the impression that the last stage has been typical of their history since they first had contact with Europeans are mistaken, for at least three of the stages mentioned above have seen the Micmac play an important and largely self-sustaining role in the regional economy. Nor is there reason to believe that the patterns will not change again in the near future; they do not appear to be preordained and immutable.

The historical overview suggests in a general way some of the key determinants of Micmac employment patterns. Apart from the efforts of individual Micmac people and their communities, the type of economy prevailing in the region and its need for Micmac labour and entrepreneurship appear to be important considerations. What kinds of opportunities does the economy provide? To what extent does it interfere with pre-existing Micmac patterns? We have seen striking differences in the answers to these important questions when asked about the fur trade, settler, and industrial economies. As the regional economy shifts to the heralded information society, characterized by the extensive development of robotics, communications systems, computers and microchips, it is worth asking whether the trend which defines Micmac labour as surplus labour will continue, and what new opportunities will be provided to and seized by the Micmac.

We have also seen the critical importance of public policy and the role of the state in determining employment outcomes. The government provided little relief for the hardship created by the settler economy, and at the same time it proceeded to confiscate the Micmac land and resource base. The result was that future generations were extremely handicapped. In more recent decades, the response to Micmac unemployment was a misguided attempt at centralization and a policy choice that emphasized the provision of public relief payments rather than the creation of a self-reliant employment and economic development base. The level of public involvement in Indian lives has also increased enormously over time, so that now most decisions – such as where they live, what kinds of jobs are made available, and what rules govern their pursuit of post-secondary education – have a public policy component to them.

The leadership in Micmac and other Indian communities has made it abundantly clear that they do not accept the main parameters of the present situation. From a stronger base of organization than in the past and with higher levels of education, they have pressed for self-government and have moved toward that goal by gradually taking over a large number of programs that affect their lives, although in many cases the control is more in the capacity of administration than in basic policy determination. As far as the Micmac are concerned, a major obstacle to real self-government is the very weak employment and economic development base of their communities. If we are on the threshold of a new stage in the economic history of the Micmac, a stage to be characterized by Micmac self-government and self-reliance, a major issue to be faced is how a self-sustaining economy can be created and how the communities can move away from high levels of unemployment, poverty, and welfare dependency. We now document the current situation in some detail, before moving to a review of competing theoretical paradigms that seek to explain that situation. These chapters will set the stage for a discussion of policy and strategy alternatives.

3: CONTEMPORARY EMPLOYMENT PATTERNS AND TRENDS

In the previous chapter, we traced the economic history of the Micmac from aboriginal times to recent decades and we suggested that, since the 1920s, a trend towards high unemployment, welfare, and government dependency has developed. Our objective in this chapter is to put some empirical meat on these bones by describing in some detail the contemporary employment patterns of the Micmac in Nova Scotia. In order to provide a comparative perspective, information on non-Indian Nova Scotians is presented as well, insofar as is possible. We also try to identify the trends that emerge from the empirical data, since it is for the most part available in longitudinal form. In the subsequent chapter, attention is focused on various theoretical explanations for Micmac poverty and underemployment, and further data that is more theoretically relevant is introduced at that point to illustrate some of the main themes of the theoretical literature.

Most of the empirical information presented in this and subsequent chapters comes from an original data base that resulted from collaboration between staff at Dalhousie University and the Union of Nova Scotia Indians. Before we proceed, a few words about the data base and its method of collection are in order.

The initial data was collected in 1976, when a single-paged information form was completed for all status Indians who were fifteen years of age and over, out of the regular school system, and included on the lists of the province's twelve bands. Both on- and off-reserve residents were included. On the smaller reserves, the information was obtained by talking to three or four individuals, such as former chiefs and councillors, band staff, and organization heads, who were well informed about the basic employment patterns of their community. For the larger bands, information was collected directly from each household. In addition to employment-related information, data on demographic and educational patterns was also pieced together

from new and existing sources. The results from the 1975/76 data base were made available to each band and were published in 1983 by the Institute of Public Affairs, Dalhousie University.[60]

At the request of the Union of Nova Scotia Indians (UNSI), the data collection process was repeated in 1981 using an information form very similar to that employed in 1976 so that comparability could be maintained. The method of data collection was similar as well, with two exceptions. First, all of the individuals on the band lists were included, not just those who were fifteen years of age and older and out of the regular school system. This in effect amounted to the computerization of the band list information and facilitated the analysis of the demographic information presented below. Second, the staff of the UNSI, funded under its Popular Education Program and located on each reserve, took responsibility for having the information sheets filled in accurately. Comparability in data collection, coding, and analysis was secured through the author who co-ordinated the research in both 1976 and 1981.

What we have sought to develop is a simple but accurate data base that is longitudinal in nature and readily accessible to the Micmac bands and their organizations. Because it is an original data set and not a derivative of Statistics Canada surveys, it is worth mentioning that the definition of unemployment, and therefore of the labour force, differs moderately from that used by Statistics Canada. In our study, persons are classed as unemployed if they say they are without work or if our key informant deems them to be so. In Statistics Canada's definition, a person is classed as unemployed only if he/she is actively looking for work, an approach that has been criticized for neglecting discouraged workers who know full well – especially in small rural communities – the futility of continuously searching for a job. In the 1980/81 data base in particular, we have also sought to identify those who, while they may be labelled as "housewives" or "retired", would really prefer to work if employment were available. These are also discouraged workers, seeking temporary refuge in more accepted categories such as "housewife", but who in fact are close to being involuntarily unemployed. We will see below what difference the inclusion of this group has on the unemployment rate.

Finally, it should be noted that, in 1976, information similar to that collected for the Micmac was collected in two rural areas of the province for the portion of the population that is of European origin. This information is included in the tables below in order to provide a point of comparison with Micmac patterns, which are sharply divergent in many cases. One of the

predominantly European areas is southwestern Nova Scotia, where employment is found in fishing, processing, logging, textiles, and tourism, and in sawmills, a hospital, and small animal farms. Businesses are generally small and locally owned, and while they provide a reasonably high level of employment for the local population, the jobs generally provide low wages. The second predominantly European area is located along the Eastern Shore area of Halifax County. It is an economically disadvantaged rural region characterized by very limited employment opportunities. As a result, the young tend to leave the area in search of employment elsewhere, and a number of family heads commute to jobs outside the area on a daily or weekly basis. Those who work in the area are engaged in relatively poor fishing, some logging for the pulp companies, and some government employment. For both areas, the figures presented are for the English-speaking population of European origin, referred to in the tables as the majority group.

While the 1975/76 Micmac and non-Indian data has been presented elsewhere, the additional feature of many of the following tables is the inclusion of the Micmac information for 1980/81, thus allowing inferences to be made regarding trends over time.

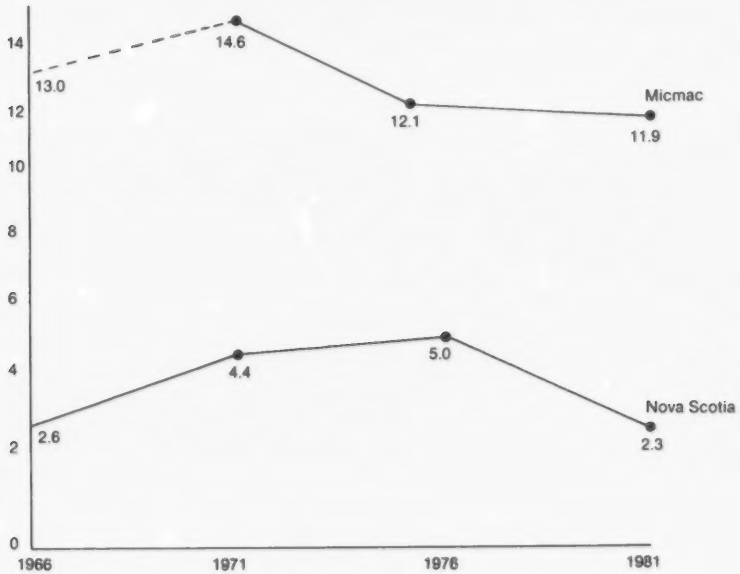
The Demographic Context

In all discussions of employment and economic development policy, a factor of substantial importance is the demographic structure of the population and how it is changing over time. The size of the population, its rate of growth, its age structure, and the geographic movement of the population provide an important context for social and economic planning.

In the historical chapter of this book, it was indicated that the Micmac population reached its nadir in the 1840s and has since increased on a steady basis. In recent years, the rate of population increase has been substantial – about twice as high as the non-Indian rate in Nova Scotia – due both to a very high birthrate and to declining mortality. Between 1966 and 1981, for example, the total population of status Micmac grew between 12 and 15 per cent every five years, from a total of 4,284 persons to 5,794. In the same period, the overall population of Nova Scotia was growing at a rate of 2 to 5 per cent in every five-year period. Figure 3.1 plots the rate of population growth of both the Micmac and non-Indian populations in Nova Scotia and illustrates clearly the differential in the rate of expansion of the population base.

What such a high rate of population growth means, of course, is that a very high proportion of the population is in the

Figure 3.1
Rate of Population Increase, Total Micmac and Nova Scotian Populations: 1966 to 1981
(Rate of increase for each prior 5-year period)



Source: Band Lists, 1966-1981. Census of Canada, 1961-1981. The 1961 Micmac population was estimated based on 1959 Indian census data.

younger age ranges. For the on-reserve population, the peak was reached in 1970, when fully 46.6 per cent of the on-reserve population was 14 years of age or under. Thus, the reserves have had to sustain a very high number of dependents – that is, persons who could not make their own way in the labour force but were reliant on those in the middle age ranges for support. The quantitative expression of this idea, the dependency ratio, is plotted in Figure 3.2. That figure reveals that the ratio of dependents to those in the middle age ranges has been much higher for the Indian community than it has been for Nova Scotia as a whole. Figure 3.3 illustrates the sharply differing age structures of the Micmac and the overall Nova Scotian population in recent years.

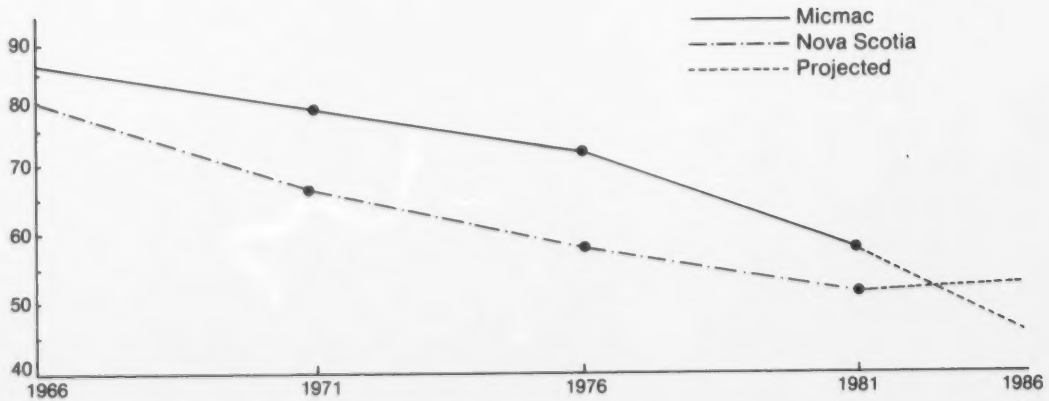
The birth rate in Indian communities is falling rapidly, however, with the result that the proportion of young people is decreasing. For the on-reserve population, for example, the percentage that is 14 years of age and under had fallen to 38.6 per cent in 1979 from 46.6 per cent in 1970. In the 1970s, it was the population in the range from 20 to 44 years of age that grew in relative size, with the 25- to 34-year age group increasing most rapidly, from 9.6 to 15.3 per cent over the course of the decade. In terms of actual numbers, the total Micmac population in the 15 to 64 age group numbered 2,736 in 1971. A decade later, the number had increased to 3,722, and population projections suggest that the figure will be 4,181 by 1986.[61]

In practical terms, of course, the changing shape of the population structure has put enormous pressure on the bands and the federal government to provide employment, recreational facilities, housing, and other services for a young adult population. Some of these challenges, particularly that of providing housing, were met more successfully than the provision of recreation or jobs.

As we have seen from the historical section in this book, job opportunities off of the reserves, and particularly in New England, attracted many Micmac to leave their home communities. In the late 1970s, the on-reserve population was still declining, but that decline began to slow in the early 1970s, whether because of deteriorating job opportunities in New England, the worsening of the racial climate, or the beginnings of autonomous development on the Micmac reserves in Nova Scotia. Figure 3.4 illustrates the decline of the on-reserve population.

Those Micmac who did move off the reserves were more likely to be women than men, and there is a clear pattern of individuals in the 18 to 50 year range leaving, no doubt in search of adventure and employment away from the restricted

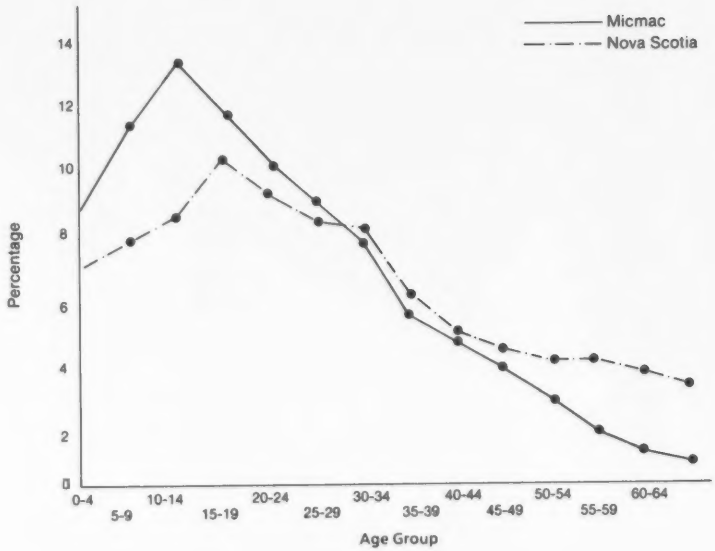
Figure 3.2
Dependency Ratios* for the Micmac and Total Nova Scotian Populations: 1966 to 1981 with Projection for 1986



* Dependency Ratio: $\frac{\text{Population less than 15 years old and more than 64 years old}}{\text{Population 15 to 64 years old}} \times 100$

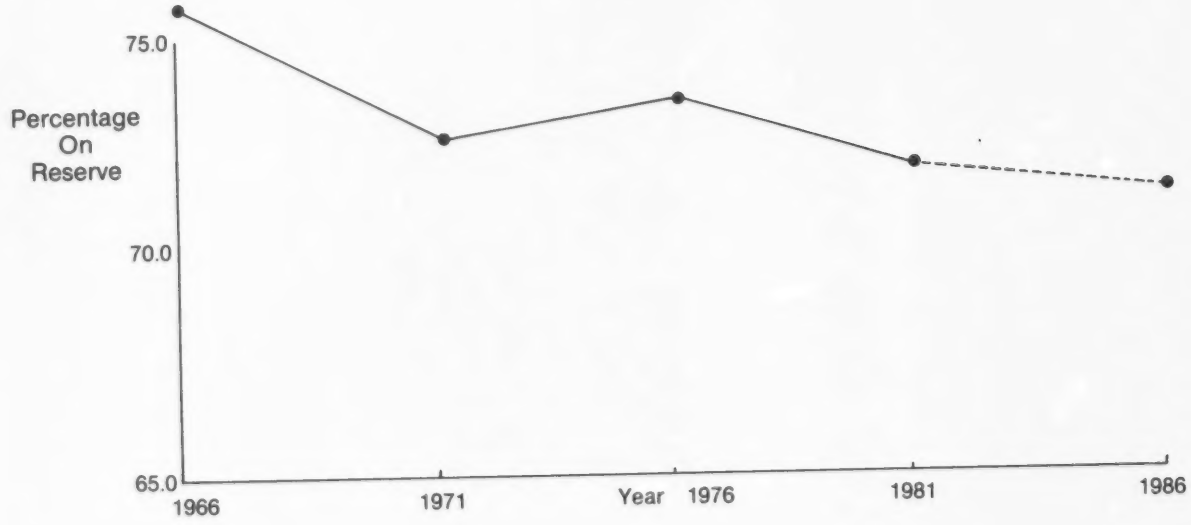
Source: A.J. Siggner, D. Perley, and D. Young, *An Overview of Demographic, Social and Economic Conditions Among Nova Scotia's Registered Indian Population*, (Research Branch, Corporate Policy, Indian and Northern Affairs Canada, 1982). (Hereafter referred to as "Siggner, Perley, and Young".)

Figure 3.3
Percentage of the Population in Each Age Group of the Micmac in 1979 and the Total Nova Scotian Population in 1981



Source: Band Lists, 1979. Census of Canada, 1981.

Figure 3.4
Percentage of the Micmac Population On Reserve in Nova Scotia: 1966 to 1981 with Projection to 1986



Source: Siggner, Perley, and Young.

opportunities available on the reserve. In the 30 to 50 age range, approximately 40 to 50 per cent of the population left the reserve, as Figure 3.5 indicates.

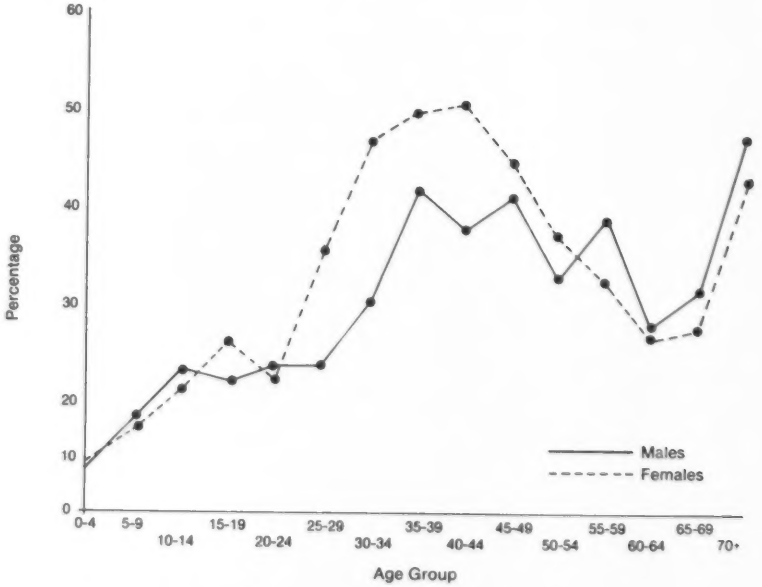
Table 3.1 provides more detail on the location of the Micmac population in 1980. It shows the bulk of the population (70.2 per cent) located on the reserves, with the remainder largely found in the United States, although several hundred people lived off the reserves either in Nova Scotia or in other parts of Canada. We can obtain some idea of the extent of the Micmac's geographic mobility over time because our data base allows us to compare information for the same individuals at two points in time (specifically, those who were employed or unemployed in 1975 and 1980). Table 3.2 indicates more stability than change in residence location over this five-year period, particularly for the on-reserve group, although of course one cannot rule out the possibility of movement between the two years. Finally, it is worth noting for future reference the variation in the size and proportion of the Nova Scotia Micmac communities on and off the reserves (see Table 3.3).

Education and Language

All of the theoretical models discussed in the following chapter place a good deal of emphasis on the importance of education and training in explaining economic achievement, although they differ in their interpretation of the exact role of these variables.

Our historical review has indicated that the provision of formal education was a late arrival for the Micmac communities, as compared to the rest of Nova Scotia's population. The quality of education provided, the form in which it is provided, and the nature of the curriculum, including measures that would permit the retention of the Micmac language, have also been subjects of debate. After a period of wholesale integration of Micmac students into provincial schools, the trend in the past decade has been toward establishing federal schools on reserves, at least for some of the larger Micmac communities, and seeking to staff the educational system with Micmac teachers, counsellors, administrators, and other personnel. While this development is still too recent to permit an assessment of the results in quantitative terms, there is a sense of innovation and optimism on the educational front that is not as prevalent in other areas. A growing number of Micmac graduating from high school and pursuing post-secondary studies, the successful completion of teacher training programs by a large number of Micmac students, the attainment of a Ph.D. degree by one individual (the first ever), and the increasing take-over of responsibility for

Figure 3.5
Percentage of Males and Females Off Reserve in All Nova Scotia Bands by Age Group: 1979



Source: Band Lists, 1979.

Table 3.1
Location of Micmac Population: 1980

	Per Cent	Number
On-reserve in Nova Scotia	70.2	4,005
Known to be on reserve		(3,881)
Estimated to be on reserve		(124)
Off-reserve in Nova Scotia	8.6	488
Rural area near reserve		(177)
Rural area distanced from reserve		(98)
Halifax/Sydney metropolitan areas		(178)
Others estimated to be off reserve		(35)
In other parts of Canada	3.1	177
Other Atlantic Provinces		(54)
Ontario		(86)
Québec		(21)
Other		(16)
In the United States	18.1	1,031
New England		(165)
USA unspecified		(127)
Unknown but presumed to be in U.S.		(739)
Other countries	0.1	4
Total	100.1	5,705
Unknown or deceased		148

Note: Due to the rounding of numbers, the percentage figures in this and subsequent tables may not always total exactly 100.0 per cent.

Source: DAL/UNSI Data Base.

Table 3.2
1980 Residence Location of the 1975 Micmac Labour Force

For those on reserve in 1975, their 1980 location was as follows:

	Per Cent
On reserve	85.9
Off reserve in Nova Scotia	6.4
Off reserve outside Nova Scotia	7.7
Total percentage	100.0
Number of cases	(886)
Cases unknown	(40)

For those off reserve in Nova Scotia in 1975, their 1980 location was as follows:

	Per Cent
On reserve	20.0
Off reserve in Nova Scotia	54.3
Off reserve outside Nova Scotia	25.7
Total percentage	100.0
Number of cases	(35)
Cases unknown	(1)

Source: DAL/UNSI data base.

Table 3.3
On- and Off-Reserve Population of Each Nova Scotia Band: 1981

Band	On-Reserve	Off-Reserve	Total
Acadia	60	297	357
Afton	164	84	248
Annapolis Valley	66	98	164
Bear River	39	68	107
Chapel Island	206	48	254
Eskasoni	1,704	160	1,864
Pictou Landing	215	85	300
Indian Brook	695	353	1,048
Membertou	344	100	444
Millbrook	230	190	420
Wagmatcook	308	59	367
Whycocomagh	408	29	437
Total	4,439	1,571	6,010

Note: All registered Indians on the band lists are included, whether or not residing in Nova Scotia. The "on reserve" category includes those living on crown land.

Source: Registered Indian Population by Sex and Residence, 1981, Indian and Inuit Affairs Program (Ottawa: Indian and Northern Affairs Canada, 1982).

educational affairs by Micmac communities – these are some of the landmarks to be noted in the educational field in recent years.

While these developments have been encouraging, our figures indicate there are still many challenges to be met. In Table 3.4, the educational level of the adult out-of-school population is described according to age group. The low

Table 3.4
Educational Level of the On-Reserve Adult Population by Age Group: 1981

Educational Level Attained	Age Group* (percentage) 25 to 34 years	35 to 54 years	55+ years
Grade 6 or less	11.6	31.2	65.4
Grade 7 through 9	39.7	38 2	28.5
Grade 10 through 13	39.2	25.2	5.0
Post-Secondary	9.5	5.4	1.0
Total	100.0	100.0	99.9
(Number of cases)	(559)	(555)	(298)

* In this table, the younger age groups (15 to 19 years and 20 to 24 years) are omitted since a large proportion in this age range are still attending school.

Source: DAL/UNSI Data Base.

educational level of the older age groups is particularly striking and reflects the neglect of educational investments in the early decades of this century. Table 3.5 suggests an improvement in Micmac educational levels between 1976 and 1981 and provides a comparison with non-Indian levels in 1976.

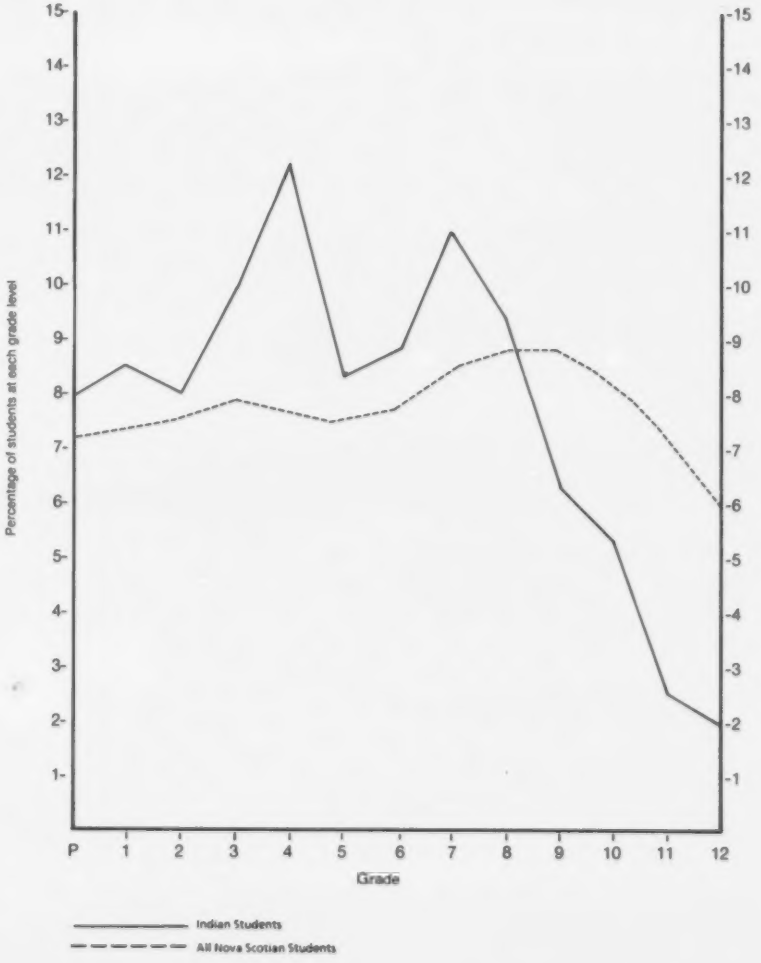
Some comparative data on how Micmac students are faring in the school system in recent years is given in Figure 3.6 and in Tables 3.6 and 3.7. These results suggest that there are still not as many Micmac students in the senior grades of high school as

Table 3.5
Educational Level of the Adult Population; Includes the Micmac in Nova Scotia and the Majority Group in Two Rural Areas of Nova Scotia: 1976 and 1981

Educational Level Attained	Percentage				
	Majority Group		Micmac		
	Southwest Nova Scotia 1976	Eastern Shore 1976	On Reserve 1976	On Reserve 1981	All Micmac in Nova Scotia 1981
Grade 6 or less	16.4	30.4	29.7	24.6	23.6
Grade 7 through 9	37.1	40.2	49.3	42.6	41.2
Grade 10 through 13	39.1	26.9	17.9	26.9	27.9
Post-Secondary	7.5	2.5	3.1	5.9	7.3
Total	100.1	100.0	100.0	100.0	100.0
(Number of cases)	(1,298)	(391)	(1,767)	(1,925)	(2,179)
Average number of years of education	8.8	7.4	7.3	8.4	8.6

Source: DAL/UNSI Data Base.

Figure 3.6
Percentage Distribution of Indian Students and All Nova Scotian Students by Grade Level: 1979 / 1980



Source: Fred Wien, *Socioeconomic Characteristics.*

Table 3.6
Number and Percentage Distribution of Indian Students and All Nova Scotian Students by Grade Level: 1979/80*

Grade Level	Indian Students Number	Indian Students Per Cent	All N.S. Students Number	All N.S. Students Per Cent
	By Individual Grades			
Primary (K5)**	116	7.9%	13,314	7.2%
Grade 01	125	8.5	13,605	7.3
02	117	8.0	14,021	7.5
03	144	9.9	14,631	7.9
04	178	12.2	14,100	7.6
05	121	8.3	14,026	7.5
06	128	8.8	14,258	7.7
07	160	11.0	15,794	8.5
08	138	9.4	16,329	8.8
09	92	6.3	16,439	8.8
10	77	5.3	15,323	8.2
11	37	2.5	13,338	7.2
12	28	1.9	10,777	5.8
Total	1,461	100.0%	185,955	100.0%
(Other)***	(33)		(3,303)	
	By Grouped Categories			
Primary to grade 6*	929	63.6%	97,955	52.7%
Grades 7 to 9	390	26.7	48,562	26.1
Grades 10 to 12	142	9.7	39,438	21.2
Total	1,461	100.0%	185,955	100.0%
(Other)**	(33)		(3,303)	

* This table shows the enrolment by grade for 1979/80. The figures reflect differences in the age profiles of the two populations, as well as differences in drop-out rates, and should be interpreted with caution (see note 62).
** An additional 103 Indian students were enrolled in K4.
*** The "Other" category includes special, commercial, and auxiliary students whose grade level is not specified.

Source: Fred Wien, *Socioeconomic Characteristics of the Micmac in Nova Scotia* (Halifax: Institute of Public Affairs, Dalhousie University, 1983). (Hereafter referred to as "Fred Wien, *Socioeconomic Characteristics*".)

Table 3.7
Graduation Rates from Grade 12: Includes Micmac Students and All Nova Scotian Students in Corresponding High Schools: 1970/71 to 1978/79*

	Micmac Students			All N.S. Students		
		Graduating			Graduating	
Year	# Enrolled	#	%	# Enrolled	#	%
1970/71	12	9	75.0	1,608	1,349	83.9
1971/72	7	4	57.1	1,729	1,529	88.4
1972/73	14	6	42.9	1,699	1,405	82.7
1973/74	19	13	68.4	1,610	1,361	84.5
1974/75	17	13	76.5	1,736	1,475	85.0
1975/76	20	13	65.0	1,689	1,418	84.0
1976/77	26	15	57.7	1,886	1,515	80.3
1977/78	15	6	40.0	1,888	1,576	83.5
1978/79	25	15	60.0	1,874	1,584	84.5
Total	155	94		15,719	13,212	
Average			60.3			84.1

* The Micmac students were enrolled in the following high schools: St. Peter's, Riverview, Mabou, Antigonish Regional, Sydney Academy, Cobequid Education Centre, East Hants Rural, Central Kings, Middleton, Springhill, Trenton, New Glasgow, East Pictou Rural, Duncan MacMillan, Antigonish East, and Breton Education Centre. The last eight schools listed have only a very few Micmac students enrolled in each; consequently they are not included in the "All N.S. Students" column.

Source: Fred Wien, *Socioeconomic Characteristics*.

there should be and that graduation rates for those who do reach grade 12 are also below the standard of non-Indian students.[62]

Finally, it is a concern of many Micmac parents that their children gain and retain the ability to speak the Micmac language and that schools play a role in this respect. Their concern is a result not only of their desire to preserve the language per se as an important aspect of Micmac culture, but is also caused by the problems encountered by the young children who leave Micmac-speaking households and are required to perform in English-speaking schools. While we do not have information on Micmac language-use by young children or those in the school system, Tables 3.8 and 3.9 provide this information for the adult population. The results show an amazing overall level of retention of the language, in view of several centuries of contact with assimilation-oriented Europeans, but they also identify some reasons for concern when the results are broken down by age group and region.

Table 3.8
Use of the Micmac Language by Age Category of Adult Population on Reserve: 1980

Micmac Language Use at Home	15 to 19 years	20 to 24 years	25 to 34 years	35 to 54 years	55 + years
Usually	57.6	66.1	69.4	77.7	85.7
Occasionally	3.0	10.4	8.1	9.1	4.5
Not at all	39.4	23.5	22.6	13.2	9.9
Total	100.0	100.0	100.1	100.0	100.1
(Number of cases)	(165)	(357)	(571)	(570)	(314)

Source: DAL/UNSI Data Base.

The Labour Force, Unemployment, and Welfare Dependency

We turn now to the detailed information available on the Micmac population with respect to unemployment and other patterns. With regard to the labour force status of the adult population, for example, Table 3.10 indicates that a continuing high proportion

Table 3.9
Use of the Micmac Language,
by On-Reserve Adult Population
According to Geographic Area of the Province: 1980

Micmac Language Use at Home	Southern Mainland	Central Mainland	Eastern Mainland	Cape Breton
Usually	9.9	23.9	86.2	91.1
Occasionally	16.5	16.2	8.1	4.5
Not at all	73.6	59.9	5.8	4.4
Total	100.0	100.0	100.1	100.0
(Number of cases)	(91)	(414)	(174)	(1,294)

Source: DAL/UNSI Data Base.

of the Micmac population is defined as being in the labour force, that is, as employed or unemployed. The high percentage in this category clearly has to do with the relative youth of the population, one in which less than 10 per cent of adults are retired, as compared with approximately 20 per cent in the majority group areas.

There are two measures of unemployment rates in the data base. The figures indicate in both cases that the level of unemployment is very high, but that there has also been substantial improvement over the period from 1975 to 1980. This positive effect is modified to a degree, however, by the inclusion of discouraged workers who we anticipate would be working if jobs were available.

Table 3.11 indicates the employment status of the respondents at the time the forms were completed in the first half of 1981 and provides a comparison to the status in 1976. It reveals an unemployment rate of 50.8 per cent for the on-reserve Micmac labour force, modified to 54.0 per cent with the inclusion of discouraged workers (principally "unemployed housewives").[63] Five years earlier, the unmodified unemployment rate was 66.4 per cent.

Table 3.10
Labour Force Status of the Adult Population*; Includes the Micmac in Nova Scotia and Majority Group in Two Rural Areas of Nova Scotia: 1975 and 1980

Percentage

Labour Force Status	Majority Group		Micmac		
	Southwest Nova Scotia 1975	Eastern Shore 1975	On Reserve 1975	On Reserve 1980	All Micmac in Nova Scotia 1980
In the labour force	48.6	41.5	64.0	62.3	61.4
Housewife	24.6	37.1	24.3	20.2	19.5
Retired	24.5	17.7	8.7	9.6	9.6
Student	0.6	0.5	1.6	3.0	3.8
Disabled	1.7	3.2	1.4	4.4	5.0
Other	---	---	---	0.3	0.7
Total	100.0	100.0	100.0	99.8	100.0
(Number of cases)	(1,385)	(402)	(1,762)	(1,972)	(2,250)

* The adult population is defined as those persons who are 15 years of age and older and who are out of the regular school system. Thus, elementary and secondary school students are excluded from these figures, but those attending vocational schools or universities are included.

Source: DAL/UNSI Data Base.

Table 3.11
Employment Status of the Labour Force; Includes Micmac in Nova Scotia and the Majority Group in Two Rural Areas of Nova Scotia: 1976 and 1981

	Majority Group		Percentage Micmac				
Employment Status	Southwest Nova Scotia 1976	Eastern Nova Scotia 1976	On Reserve 1976	On Reserve 1981		All Micmac in Nova Scotia 1981	
Employed	93.1	68.9	33.6	49.2	(46.0) **	51.4	(48.2)
Unemployed	6.9	31.1	66.4	50.8	(54.0)	48.6	(51.8)
Total	100.0	100.0	100.0	100.0	(100.0)	100.0	(100.0)
(Number of cases)	(652)	(167)	(1,075)	(1,232)	(1,317)	(1,386)	(1,478)

This table provides the employment status of individuals in the labour force at the time at which their information forms were completed, that is in the first half of 1976 and of 1981.

** The 1981 percentages enclosed in brackets include those individuals who had some other labour force status in 1981 (such as "housewife") but for whom it was indicated that they would work if jobs were available.

Source: DAI/UNSI Data Base.

In Table 3.12 we present a picture of employment levels over an entire year, separating out those who worked regularly during the course of the year, those who worked seasonally for only a part of the year, and those who were unemployed for the whole year. Again, we see an improvement in the situation over that of 1975, with the percentage of individuals employed on a regular basis increasing a few points and the percentage of those unemployed year-round declining. The degree of change depends on whether or not the discouraged workers are included.

While the decline in unemployment rates is significant, particularly during a period of generally worsening economic conditions, we will see below that it was not achieved without a certain cost.

The improvement in Micmac employment levels has a direct impact on the type, if not the extent, of reliance on social assistance payments of various kinds. While Table 3.13 shows approximately the same extent of social assistance dependence between 1975 and 1980, Table 3.14 suggests that the type of usage has changed. The figures indicate a decline of a few percentage points in sole reliance on welfare payments from the Department of Indian Affairs and an increase in the use of the federal unemployment insurance system in combination with welfare payments. The figures also indicate a sharp rise in educational assistance payments, reflecting the increase of Micmac young people attending post-secondary institutions.

The Nature of Micmac Employment

We established in the last section that in recent years approximately one-third to one-half of the Micmac labour force in Nova Scotia has been able to find employment either on a seasonal or a more regular basis. The task before us now is to describe briefly the nature of that employment and how it appears to be changing over time. We concentrate here on bringing out only a few of the more salient points; further data is also presented in the following chapter.

We begin with the occupations of those persons employed in 1975 and 1980 (see Table 3.15).[64] In both years, certain distinctive elements of the employed Micmac labour force are evident. Most striking is the large concentration of employed Micmac males in construction occupations, a figure that is more than three times the provincial average and amounts to almost a third of all Micmac occupations. While this figure includes some Micmac tradesmen who work outside their reserves – most notably the skilled drywallers from the Millbrook Reserve – for the most part the group is comprised of unlicensed carpenters and

Table 3.12
Employment Status of the Labour Force; Includes the Micmac in Nova Scotia and the Majority Group in Two Rural Areas of Nova Scotia: 1975 and 1980

Percentage

Employment Status	Majority Group		Micmac				
	Southwest Nova Scotia 1975	Eastern Shore 1975	On Reserve 1975	On Reserve 1980		All Micmac in Nova Scotia 1980	
Regular employment*	78.2	41.2	24.7	30.9	(28.4) **	34.2	(31.5)
Irregular employment*	18.4	41.8	36.8	38.7	(35.4)	36.0	(33.1)
Unemployed year-round	3.4	17.0	38.5	30.4	(36.2)	29.8	(35.4)
Total	100.0	100.0	100.0	100.0	(100.0)	100.0	(100.0)
(Number of cases)	(673)	(165)	(1,130)	(1,228)	(1,340)	(1,382)	(1,502)

* "Regular employment" refers to reasonably steady work throughout the year, although not necessarily at one job or full time. "Irregular employment" refers to seasonal work or work combined with other activities, for example, as a student or housewife. It usually involves some reliance on social assistance during periods of unemployment.

** The 1980 percentages enclosed in brackets include those persons who had some other labour force status in 1980 (such as "housewife") but for whom it was indicated that they would work if jobs were available.

Source: DAL/UNSI Data Base.

Table 3.13
Extent of Reliance on Social Assistance Among the Adult Population; Includes the Micmac in Nova Scotia and the Majority Group in Two Rural Areas of Nova Scotia: 1975 and 1980

Percentage

Social Assistance Status	Majority Group		Micmac		
	Southwest Nova Scotia 1975	Eastern Shore 1975	On Reserve 1975	On Reserve 1980	All Micmac in Nova Scotia 1980
No Reliance on social assistance	63.6	50.9	35.9	35.5	47.0
Use of social assistance	36.4	49.1	64.1	64.5	53.0
Total	100.0	100.0	100.0	100.0	100.0
(Number of cases)	(1,392)	(405)	(1,759)	(2,116)	(2,820)

Source: DAL/UNSI Data Base.

Table 3.14
Type of Social Assistance Used by the Adult Population; Includes the Micmac in Nova Scotia and Majority Group in Two Rural Areas of Nova Scotia: 1975 and 1980

	Percentage				
	Majority Group		Micmac		
Type of Social Assistance	Southwest Nova Scotia 1975	Eastern Shore 1975	On Reserve 1975	On Reserve 1980	All Micmac in Nova Scotia 1980
Unemployment insurance	14.2	31.7	8.8	9.5	9.2
Unemployment insurance and welfare	0.6	0.5	0.5	7.3	6.7
Indian Affairs welfare	---	---	65.0	56.3	53.9
Provincial/municipal welfare	6.9	4.0	5.4	5.5	6.7
Old age & other pensions	75.8	62.7	16.3	12.2	12.7
Indian Affairs educational assistance	---	---	1.9	4.8	6.0
Combinations and other	2.4	1.0	2.1	4.5	4.7
Total	99.9	99.9	100.0	100.1	99.9
(Number of cases)	(506)	(199)	(1,127)	(1,365)	(1,494)

Source: DAL/UNSI Data Base.

Table 3.15
Occupations of the Adult Labour Force; Includes the Micmac in Nova Scotia (1975 and 1980) and All Adults in Nova Scotia (1971 and 1981)

Occupational Group*	Nova Scotia Labour Force 1971	Micmac Labour Force in N.S. 1975	Micmac Labour Force in N.S. 1980	Nova Scotia Labour Force 1981
Managerial, administrative, & related	3.6	7.6	6.2	5.7
Natural sciences, engineering, & math	2.4	0.4	0.5	2.8
Social sciences & related	0.9	4.4	7.0	1.5
Occupations in religion	0.4	---	---	0.3
Teaching and related	4.8	2.9	4.6	4.7
Medicine and health	4.4	0.8	0.6	5.2
Artistic, literary, performing arts, and related)	0.8	0.8	0.6	1.1
Sport and recreation)				
Clerical and related	14.4	7.3	7.8	16.5
Sales	10.4	4.1	2.6	10.3
Service	16.9	9.7	12.6	14.8
Farming, horticultural, & animal husbandry	3.2	0.1	1.1	2.6
Fishing, hunting, trapping, & related	2.5	6.5	1.4	2.4
Forestry and logging	1.1	6.6	6.9	1.2
Mining and quarrying	1.3	---	---	1.0
Processing	4.9	3.3	0.9	5.0
Machining and related	2.1	1.1	0.6	1.7
Product fabricating, assembling, and repairing*	5.6	7.0	8.3	6.1
Construction trades	9.7	31.2	30.2	7.7
Transport equipment operating	5.4	4.9	5.5	4.4
Material handling and related	2.7	0.3	0.2	2.2
Other crafts and equipment operation	1.3	0.7	0.8	1.2
Occupations not elsewhere classified	1.1	0.3	1.8	2.0
Total	99.9	100.0	100.2	100.4
(Number of cases)	(264,000)	(789)	(966)	(366,065)

* Occupations are grouped into categories according to the *Canadian Classification Dictionary of Occupations*. (Information Canada, 1974).

Source: DAL/UNSI Data Base and Census of Canada 1971 and 1981.

carpenters' helpers who build and repair houses on short-term Canada Works grants in their home communities.

Micmac men are also overrepresented in forestry and logging occupations, which usually take the form of cutting pulpwood and selling it on a per cord basis to the major pulp and paper producers in the province.

The occupational figures also reflect the extent to which responsibility for programs has been shifted from the various departments of the federal government to local band councils and other community-based organizations, at least in terms of program implementation. Band administrative and social program staff, such as band managers, welfare officers, membership clerks, alcohol and drug counsellors, social counsellors, outreach workers, popular education/community development staff, friendship centre employees and many others, make the Micmac overrepresented in occupational categories such as "managerial, administrative, and related" and "social sciences and related". Micmac women are more likely to hold these positions than are Micmac men.

In several other types of occupations which are usually filled by Micmac women, the figures indicate substantial underrepresentation in comparison with the total labour force in Nova Scotia. These include clerical, sales, and service occupations, perhaps because the Micmac population is more strongly based in rural areas and in small communities without many employment opportunities in these fields. Underrepresentation also occurs in farming and processing occupations and in certain professional categories, such as natural sciences, engineering and math, and medicine and health.

The figures suggest that, in contrast to Indian employment patterns in western, and particularly in northern, Canada, little remains of traditional Indian occupations due to the length of the contact period with Europeans. While some Micmac still trap for furs and while handicraft production has revived in recent years (see "Product Fabricating, Assembling, and Repairing in Table 3.15), almost all of the employed Micmac labour force is found in "modern" occupations.

For the period from 1975 to 1980, under consideration here, a few significant shifts in occupational patterns are worth pointing out. The expansion of social programs is reflected in the increase in the number of Micmac finding employment in "social sciences and related" occupations. The period also witnessed the beginnings of a sharp increase in the number of Micmac teachers as a result of the initiation of teacher aide programs and full-

fledged teacher training programs. The collapse of several Micmac fishing operations, especially oyster farming in the Bras d'Or Lakes, is also reflected in the figures. Finally, the decline in the proportion of Micmac engaged in processing occupations is due to the fact that a sawmill at one of the mainland reserves ceased operations in the late 1970s.

From occupational data, it is possible to construct two kinds of measures which give a reading on the socioeconomic status of the occupations held by a group. The first of these are the so-called Blishen scores, according to which all occupations are given a score ranging from 1 to 500, depending on the amount of income, education, and prestige associated with each occupation.[65] High-status occupations are given a ranking number close to 1, while those with a low status are assigned numbers closer to 500. In the case of the Micmac, then, one can deduce from Table 3.16 that Micmac occupations are concentrated at the low end of the scale with regard to income, education, and prestige, although they are roughly comparable with the occupational levels in 1975 of the rural majority comparison groups. There was some improvement between 1975 and 1980, a reflection no doubt of increased mobility into white-collar and professional occupations associated with band administration, the delivery of social programs, and progress in the educational field.

Another way of grouping occupations is illustrated in Table 3.17, where the classification is made according to criteria that include skill-level and similarity of function.[66] A socioeconomic classification of occupations is the result, and the proportion of the employed Micmac labour force falling into each category is shown.

Table 3.18 presents information on a somewhat different dimension, namely the industry affiliation of the businesses that employ Micmac workers or entrepreneurs. While the results parallel the discussion above with respect to Micmac occupations, the table does show more clearly the high and growing proportion of the Micmac labour force that is involved in the industry of public administration.

This point is brought home even more clearly in Table 3.19, which reveals the large proportion of Micmac who work for their band council in the administration and delivery of band-based programs. An even larger proportion find their main employment through short-term federally sponsored make-work programs, such as Canada Works and various work and training schemes. Employment with community and minority

Table 3.16
Level of Occupational Attainment (Blishen Scores) for the Micmac in Nova Scotia and the Majority Group in Two Rural Areas of Nova Scotia: 1975 and 1980

Percentage

	Majority Group		Micmac		
Blishen Score	Southwest Nova Scotia 1975	Eastern Shore 1975	On Reserve 1975	On Reserve 1980	All Micmac in Nova Scotia 1980
001 to 125	11.3	4.7	13.2	15.5	17.1
126 to 250	22.1	17.8	11.4	13.3	14.4
251 go 375	15.0	16.6	15.3	15.3	15.1
376 to 500	51.7	61.0	60.0	56.0	53.5
Total	100.1	100.1	99.9	100.1	100.0
(Number of cases)	(675)	(169)	(687)	(852)	(961)
Average Blishen score	327.1	360.0	343.9	329.8	320.4

Source: DAL/UNSI Data Base.

Table 3.17
The Distribution of the Employed Micmac Labour Force in Nova Scotia According to the Socioeconomic Classification of Occupations: 1980

Socioeconomic Category*	Per Cent
Self-employed professionals	---
Employed professionals	3.4
High-level management	1.2
Semi-professionals	9.7
Technicians	0.1
Middle management	4.6
Supervisors	1.5
Foremen	3.1
Skilled clerical/sales/service	5.9
Skilled crafts and trades	25.3
Farmers	0.2
Semi-skilled clerical/sales/service	5.1
Semi-skilled crafts and trades	17.8
Unskilled clerical/sales/service	4.2
Unskilled labourers	17.0
Farm labourers	1.0
Total	100.1
(Number of cases)	(911)

* The socioeconomic classification of occupations is derived from P. Pineo, J. Porter, and H. McRoberts, "The 1971 Census and the Socioeconomic Classification of Occupations," *The Canadian Review of Sociology and Anthropology*, Volume 14, Number 1 (February 1977), pp. 91-102.

Source: DAL/UNSI Data Base.

Table 3.18
Industry of Employment of the Adult Labour Force; Includes the Micmac in Nova Scotia (1975 and 1980) and All Adults in Nova Scotia (1971 and 1981)

Industry*	Nova Scotia Labour Force 1971	Micmac Labour Force in N.S. 1975	Micmac Labour Force in N.S. 1980	Nova Scotia Labour Force 1981
Agriculture	2.7	0.3	0.8	2.3
Forestry	1.2	6.7	7.1	1.3
Fishing and trapping	2.1	7.4	1.7	2.0
Mines, quarries, and oil wells	2.3	---	0.1	1.8
Manufacturing industries	15.5	8.7	10.6	14.9
Construction industry	8.1	29.2	29.4	6.6
Transportation, communication, & utilities	9.1	5.9	3.8	8.0
Trade	16.3	6.8	4.1	17.4
Finance, insurance, & real estate	3.3	0.3	0.1	4.4
Community, business, & personal services	24.9	17.2	16.4	29.2
Public administration and defence	14.5	17.6	26.1	12.2
Total	100.0	100.1	100.2	100.1
(Number of cases)	(266,100)	(780)	(879)	(366,600)

* Industries are coded and grouped into categories according to the *Standard Industrial Classification Manual* (Information Canada, 1970).

Source: DAL/UNSI Data Base and Census of Canada 1971 and 1981.

Table 3.19
Types of Employers of the Adult Labour Force; Includes the Micmac in Nova Scotia and the Majority Group in Two Rural Areas of Nova Scotia: 1975 and 1980

	Percentage				
	Majority Group		Micmac		
Type of Employer	Southwest Nova Scotia 1975	Eastern Shore 1975	On Reserve 1975	On Reserve 1980	All Micmac in Nova Scotia 1980
Federal government	8.3	7.4	1.4	1.8	3.4
LIP/Canada Works and related short-term projects	---	---	20.3	30.6	27.3
Provincial government	4.7	7.4	0.4	0.4	0.5
Municipal government	2.4	---	0.1	0.5	0.6
Band council	---	---	16.9	23.1	21.6
Private business	72.0	72.5	42.7	31.4	32.9
Cooperative	0.2	---	11.6	2.7	2.4
Community & minority organizations	0.9	4.7	5.3	6.2	7.2
Educational institution	4.7	5.4	0.3	2.2	2.4
Health institution	4.6	1.3	0.1	0.4	1.0
Crown corporation	1.7	0.7	0.4	0.3	0.3
Other	0.6	0.7	0.3	0.3	0.3
Total	100.1	100.1	99.8	99.9	99.9
(Number of cases)	(636)	(149)	(688)	(774)	(878)

Source: DAI/UNSI Data Base.

organizations also is more predominant in the Micmac than in non-Indian communities.

While the Micmac are underrepresented in certain types of public-sector employment, such as regular jobs with the federal or provincial governments and in educational and health institutions, nevertheless the table reveals a remarkable difference between the Micmac and other Nova Scotians in their degree of dependence on public funds for employment. In 1975, some 46 per cent of all Micmac jobs were dependent on direct government monies. The remaining jobs are listed as being through private employers and in cooperatives, but some of these also receive indirect public support in terms of capital, training, and other federal government subsidies. Moreover, the table reveals that the dependence on government funds for employment increased sharply between 1975 and 1980. The proportion of Micmac working on short-term federal grant projects, for example, increased from 20 to 30 per cent of the on-reserve labour force, and significant increases in employment with band councils, community and minority organizations, and educational institutions have also been registered. At present, only a third of the Micmac labour force is employed in co-operatives and by private businesses,[67] with the remaining two-thirds directly dependent on government funding. It would appear, therefore, that status Indians in Nova Scotia are becoming nationalized by the federal government with respect to their employment.

It would also appear that reduced unemployment in the period from 1975 to 1980 was achieved by the additional expenditure of public funds and at the cost of increasing dependence on the federal government, rather than through a significant breakthrough in the private sector. This would not necessarily be a negative development if public funds could be foreseen to provide secure and stable employment over the long term, but this is, of course, not at all assured in the conservative and difficult economic and political climate of the 1980s.

We note from Table 3.20, in fact, that the preponderance of Micmac employment is located in establishments or projects that pay close to the minimum wage and that the proportion of the labour force in this category increased between 1975 and 1980. The increase in the number of persons employed on make-work projects no doubt helps to account for this increase.

We conclude this chapter with several additional tables that further define the nature of Micmac employment. Table 3.21 confirms that almost all of the employed Micmac are found either in the self-employed category or, more likely, as employees

Table 3.20
Predominant Wage Level of Establishments Employing the Adult Labour Force; Includes the Micmac in Nova Scotia and the Majority Group in Two Rural Areas of Nova Scotia: 1975 and 1980

Percentage

Predominant Wage Level*	Majority Group		Micmac		
	Southwest Nova Scotia 1975	Eastern Shore 1975	On Reserve 1975	On Reserve 1980	All Micmac in Nova Scotia 1980
Minimum wage	36.0	26.2	41.2	56.5	52.0
Intermediate wage	24.8	20.0	29.5	33.4	34.2
High wage	39.3	53.8	29.2	10.1	13.8
Total	100.1	100.0	99.9	100.0	100.0
(Number of cases)	(639)	(145)	(660)	(763)	(851)

* The predominant wage level of an establishment is the wage at which a majority of the establishment's employees are paid. For 1975, minimum wage refers to wages up to $3.50 per hour. The intermediate wage range is $3.50 to $4.50 per hour, while high-wage establishments paid $4.50 per hour or more. For 1980, the wage ranges were up to $4.50 per hour, between $4.50 and $6.00, and over $6.00, respectively.

Source: DAL/UNSI Data Base.

Table 3.21
The Employer/Employee Status of the Employed Micmac Labour Force in Nova Scotia: 1980

Employer/Employee Status	Per Cent
Owner	0.6
Owner/manager	0.6
Owner/manager/employee	13.5
Co-owner/manager/employee	3.5
Employee	81.9
Total	100.1
(Number of cases)	(868)

Source: DAL/UNSI Data Base.

working for other persons; very few Micmac are owners or managers of larger enterprises. The employers of the Micmac labour force in Nova Scotia are almost entirely of Micmac origin, however, and are usually located on reserve. Specifically, some 90 per cent of the Micmac labour force in the province is employed by Micmac employers, albeit with government funds in many cases (see Table 3.22), and more than three-quarters worked on the reserve in 1980 (see Table 3.23). These results demonstrate the lack of articulation of the Micmac labour force with the wider economy of the province.

Conclusion

In this chapter we have empirically demonstrated some of the main demographic, educational, and labour force patterns of the contemporary Micmac. We have seen that the rate of unemployment improved between 1975 and 1980, but still more than half of the labour force was found to be unemployed in 1980 and almost two-thirds of the on-reserve population was found to be dependent on some form of social assistance. The improvement in the unemployment rate can be ascribed in large measure to the purchase of Micmac employment by federal

Table 3.22
Ethnicity of the Employer for the Adult Labour Force; Includes the Micmac in Nova Scotia and the Majority Group in Two Rural Areas of Nova Scotia: 1975 and 1980

	Percentage				
	Majority Group		Micmac		
Employer Ethnicity	Southwest Nova Scotia 1975	Eastern Shore 1975	On Reserve 1975	On Reserve 1980	All Micmac in Nova Scotia 1980
Majority group	95.5	99.3	10.0	9.2	14.1
Micmac	---	---	90.0	90.4	85.5
Other	4.5	0.7	---	0.4	0.3
Total	100.0	100.0	100.0	100.0	99.9
(Number of cases)	(628)	(150)	(688)	(774)	(877)

Source: DAL/UNSI Data Base.

government spending, to the point that two-thirds of all on-reserve jobs were dependent on government funds in 1980.

Table 3.23
Location of Work of the Employed Micmac Labour Force: 1975 and 1980

Location of Work	Percentage		
	Micmac on Reserve 1975	Micmac on Reserve 1980	All Micmac in Nova Scotia 1980
On the reserve	86.4	82.0	76.2
In the immediate area (within 10 miles)	9.7	11.3	13.4
Other areas in Nova Scotia	3.6	5.6	9.9
Other	0.2	1.1	0.6
Total	99.9	100.0	100.1
(Number of cases)	(691)	(823)	(893)

Source: DAL/UNSI Data Base.

In sum, the figures underline trends that have seen some improvement in Micmac economic security in comparison with the period before World War II, but these improvements occurred at a cost of a considerable loss in self-reliance. In the following chapter, we review various theoretical explanations for the current state of Micmac underemployment, poverty, and dependence before turning to a consideration of strategies that would allow movement away from these conditions.

4: SOCIAL SCIENCE THEORY AND INDIAN SOCIOECONOMIC DEVELOPMENT

It is important, of course, not only to describe contemporary Indian conditions and trends, but also to undertake some causal analysis of what is believed to contribute to the observed patterns of poverty, underemployment, and dependence. A theoretical framework represents a particular point of view on the phenomenon in question. It begins with a series of assumptions about such things as the nature of human beings and what motivates them. It then specifies the particular causal factors, and the nature of the relationships among those factors, that are believed to explain the phenomenon. If carried to its logical conclusion, policy and strategy considerations consistent with the prescriptions of the theoretical framework can also be specified. Thus, when certain policies are advanced to deal with Indian poverty, underemployment, and dependence, they can be traced to a particular theoretical framework. For example, it is suggested below that much of government policy is derived from an orthodox theoretical perspective. Because Indian communities often reject, either implicitly or explicitly, the assumptions and hypotheses of this perspective, the resultant policies are constantly being challenged.

In principle, specifying competing hypotheses and testing them empirically should allow one to determine which framework best explains Indian poverty and underemployment. But in practice this is very difficult, for the limits of the theoretical frameworks are not clearly defined and the perspectives are constantly being adapted in order to explain "anomalous" empirical results. The methodology that is accepted as valid by adherents of one framework is not always accepted by the supporters of a competing paradigm. We would also need access to an extremely good and comprehensive data base in order to make much progress in this respect.

With these constraints in mind, we discuss four different theoretical perspectives in this chapter, each with its own assumptions, hypotheses, policy prescriptions, and adherents.

We also attempt to provide a clear elaboration of how the theoretical frameworks differ from one another and to give some indication, on the basis of the available data, the degree of support, or lack thereof, for specific predictions.

Orthodox Approaches

While there are a number of variations in orthodox theory, and we describe four of them in this section, there are also areas of commonality that overshadow the differences. Certain basic assumptions are widely shared among orthodox theorists, as are conceptions about the characteristics of a modern dynamic economy, the attributes of those who are successful achievers within it, the factors that contribute to poverty and underemployment, the characteristics and fates of those disadvantaged in terms of income and employment, and the basic elements of a strategy for change.

The orthodox perspective is the prevailing view in large parts of academia (although it has been strongly challenged in the last two decades) and is largely reflected in government policy. In its important respects, it is not that far removed from popular understandings of the situation. Because of its pervasiveness, it is, therefore, difficult for Indian communities to resist, even though the perspective has been developed by and has grown out of the majority group experience. Indeed, some aspects of orthodox theory, such as the belief in the efficacy of investments in education as a means of "getting ahead", are widely shared by Indian people. But the orthodox position on a range of other issues in the Indian context – for example, that education should be integrative and assimilative and that the reserves should be dismantled – is either widely rejected or energetically contested.

In this section, we briefly describe four variations on the orthodox theme and seek to apply them to the Micmac context. A critical assessment of orthodox theory becomes apparent in subsequent sections when competing paradigms are described.

Technological Change and Redundancy

A useful starting point in the discussion of orthodox theory is the hypothesized causal relationship between technological change and the generation of poverty and underemployment.[68] It is argued that the growth of scientific knowledge leads to technological advances in society. These technological advances, in conjunction with population increases, are said to be the main factors contributing to the differentiation of functions in society and to the development of differentiated social structures. As a

result, some new occupations emerge, as did teaching when education became separated from the family as a function, and other occupations disappear. As well, the relative importance of occupations changes over time – some assume greater functional importance to the maintenance and development of the society and others less. The rewards associated with occupations, of which prestige and income are the most significant, are seen as an incentive and a signalling system for eliciting services in demand; that is, the more important occupations have higher levels of income and prestige attached to them, and this serves to encourage individuals to invest in obtaining the necessary skills and to attract the more able to those positions.

As some occupations become less central to the functioning of society, their incumbents are relegated by the system of stratification to lower status. Some roles will become completely obsolete, resulting either in unemployment or redundancy for the incumbents or in the need to adapt to new careers through education, training, and occupational mobility.

Thus, the poor and the unemployed are those who are negatively affected by technological change and automation and who, because of age, the lack of education and skills, the presence of a physical disability, or the lack of opportunity, are unable to adapt to the changes by moving into more promising occupations.[69] From this perspective, one can examine the Micmac occupational data provided in the previous chapter (see Table 3.15) and assess the extent to which they are in occupations requiring a low level of skill and education and for which demand is declining as automation runs its course. Indeed, the Hawthorn Report makes this type of argument for Indians in Canada, claiming that "a disproportionately large number of able bodied Indians of working age are unemployed or underemployed, and a disproportionate number of the employed are concentrated in low-income resource industries and in unskilled jobs. To facilitate the transfer of large numbers of these into more skilled or better paid fields of employment having the most favourable prospects of expansion, will require an extensive, and intensive, program of education, training and conditioning of Indian workers."[70]

Status Attainment and Human Capital Hypotheses

Economists and sociologists working out of an orthodox perspective have done considerable work in recent decades on identifying the characteristics of those who do respond to incentive signals by moving into positions with higher status and income and those who do not. In sociology, this research goes

under the rubric of status attainment or occupational mobility studies. Here, the dependent variable is usually occupational position, and the task is to identify those characteristics of individuals that would allow us to predict the level of occupational position achieved. "Occupational status...is conceived as the outcome of a lifetime process in which ascribed positions at birth, intervening circumstances, and earlier attainments determine the level of ultimate achievement."[71]

More specifically, the relevant explanatory variables include the occupation and education of the respondent's father, the respondent's ethnic or racial background, sex, age, pattern of migration, family size and stability, number of years of schooling, and first job. Attitudinal variables may also be found in the equation, such as the respondent's need for achievement and commitment to the workplace.[72] On average, racial minorities usually have deficits on some of the above-mentioned variables (for example, lower-class backgrounds, less schooling, larger families, unfavourable geographic location), but they also suffer from discrimination as a handicap. This may lead to what Gunnar Myrdal calls a vicious cycle of poverty, as when discrimination lowers the return for investments in education by non-whites, thereby leading them to drop out of school at an earlier age.[73] The attendant lower educational levels and the reinforcement of negative stereotypes in turn may encourage further discrimination.[74]

Orthodox economic theory, especially the human capital variant developed by Gary Becker and others, is quite similar to status attainment research and shares many of the same assumptions.[75] It is presumed that individuals want to maximize lifetime earnings (more so than status) and that in order to do so they will choose to defer present income for the sake of greater future rewards. The latter can be achieved by improving the individual's stock of human capital (that is, education, training, and experience), which will lead to jobs that will not only pay back the costs but will also give a high return on the invested (human) capital. Individuals assess what occupations to go into by examining relative wages, which act as a signalling device serving to allocate labour. Perfect information about alternative occupations and their potential for lifetime reward is assumed.

Formal education, training, experience, and native ability combine to define the productive capacity of the individual. These factors are argued to be directly productive – that is, general formal education improves the level of knowledge and of analytic ability, vocational training provides more specific skills that increase productivity on some jobs, and on-the-job training

provides skills applicable only to a specific job.[76] Employers, for their part, pay individuals in accordance with their marginal productivities, taking into account the supply of workers with the desired productive characteristics and the demand for them. Those who are poor and underemployed, then, are those who have small amounts of these various kinds of human capital productivities. Given the direct relationship between education, individual productivity, and wages, schools are seen to be the great equalizer, the route to equality, especially for the young.

In the case of the Micmac, then, it would be argued that one of the chief reasons for a high level of Micmac poverty and underemployment is the relatively low level of education of the adult population, as several tables in Chapter 3 illustrated. The improvement in Micmac educational levels between 1976 (an average of 7.3 years of schooling) and 1981 (an average of 8.4 years) would, in the view of human capital theorists, help to account for the improved employment situation over this five-year period, as documented in the previous chapter. Further evidence would be derived from the correlation between the level of education and employment status (shown in Table 4.1, following), which indicates that those regularly employed have a considerably higher level of education than do those who are irregularly employed and those who are unemployed year-round.

In the absence of artificial barriers or labour market imperfections, individuals are assumed to have considerable choice and leverage over the situation – the assumption of worker sovereignty. In addition to having perfect information, they are considered to make rational choices about what alternatives they want to pursue. Training slots will be made available if the demand is there, access to occupations can be achieved, and jobs in sufficient numbers will be offered if wage offers and demands are flexible. David Gordon claims that orthodox "theories of income concentrate on the ways in which workers make education, training, mobility and experience decisions among a given bundle of opportunities, rather than focusing on the ways in which institutions tend to define and limit the bundles of opportunities available to them."[77]

An important point to note about human capital and status attainment models is the following. While inequalities of outcome are predicted, in that some individuals earn more status or income than others because they come to the labour market with different preferences and attributes, there are no sharp breaks or discontinuities to be noted in their experiences or behaviours. Everyone lives in the same "world", a uniform set of assumptions apply, and so on. As Berger and Piore put it, "the

models assume that the rational behaviour of individuals maximizing their self-interest generates social and economic structures in which distinctions among individuals and among

Table 4.1
Educational Level of the Adult Labour Force in Nova Scotia by Employment Status; Includes All Nova Scotia Bands: 1980

	Employment Status		
Educational Level	Regular Employment	Irregular Employment	Unemployed Year-Round
Grade 6 or less	11.9	14.7	24.0
Grade 7 through 9	27.7	48.8	54.6
Grade 10 through 13	48.6	29.6	19.9
Post-secondary	11.9	7.0	1.5
Total	100.1	100.1	100.0
(Number of cases)	(455)	(484)	(392)
Average number of years of education	10.1 years	9.0 years	7.6 years

Source: DAL/UNSI Data Base.

classes of individuals are continuous. Whether persons are arrayed by income categories or grouped by status, the boundaries or 'cutoffs' between one category and the next are essentially arbitrary and a matter of convenience; they do not reflect significant real discontinuities. Between the bottom individuals in the ninth decile of an income distribution and the top individuals in the tenth, between the statuses of persons ranked high, medium and low on a prestige scale, the transitions are smooth and continuous."[78]

To exemplify this point with regard to the Micmac, orthodox theorists would draw on data such as that presented in Table 3.16, which outlined the socioeconomic status of the occupations held by the Micmac and by the comparison groups. The Blishen scale presented there is continuous and the grouping reflected in

the table is essentially arbitrary. The improvement over time that is reflected in the table is, incidentally, to be expected by the proponents of orthodox sociology and particularly by the assimilationist school, as minorities become more familiar with the dominant culture and with the skills required by a modern industrial society.[79]

If the real world doesn't quite fit with this fluid image, then it is argued in the theoretical literature that some distortion has come into play – individual preferences or "tastes" for jobs, nonmonetary considerations (more pleasant jobs are thought to attract labour at lower wages), or imperfections imposed by discrimination, unions, licensing schemes, minimum wage legislation, or unemployment insurance provisions.[80] These can all modify the direct relationship between individual productivity characteristics, on the one hand, and the wages earned, on the other.[81] Some orthodox writers, in fact, are prepared to concede that imperfections in the labour market can be significant enough to divide that market into different sectors. Discrimination by employers or by privileged workers can lead to the creation of noncompeting groups or to the crowding of minorities into certain low-wage occupations.[82] However, the forces of competition should erode these inequalities over the long run as employers, driven by the competitive market, move to take advantage of a cheaper pool of labour in the crowded sectors. There is also the assumption of universality, namely that the conventional relationships hold within the sectors. That is, employers rank workers according to the same criteria in all sectors, workers respond to the same incentives in the same way, and the relationship between the quality of labour productivity and wage improvements is comparable from one labour market segment to the next.

In summary, theories of status attainment and human capital dwell primarily on the characteristics on the individual level that determine economic and social rewards. Economists deal for the most part with variables such as education, training, and experience, to which sociologists would add socioeconomic class and other ascriptive features. Both agree that discrimination, among other labour market imperfections, imposes a particular disadvantage on groups such as minorities, women, and the aged, although the source of such discrimination is not well specified.[83]

Imperfections and artificial barriers need to be removed so that the operation of a free labour market is not distorted. Aside from the discrimination factor, it would be maintained that native groups such as the Micmac experience other unfavourable

impediments to free mobility. It would be argued, for example, that the reserve system and the ready availability of welfare payments isolate individuals from better opportunities, help to keep people out of the labour force, and serve to create and maintain unfavourable work attitudes. Thus, reserves are seen as welfare residential stations, which support a permanent class of welfare recipients that is either unable or unwilling to work. On the orthodox view, reserves should be abolished and the availability of welfare payments cut back drastically, thereby forcing the Micmac labour force to compete in the open labour market rather than being isolated or protected from it. Some superficial support for such a position would come from the data presented in Table 4.2, which indicates significant differences between the on- and off-reserve components of the Micmac labour force.

Table 4.2
Comparison of the Micmac Labour Force and Population Living On and Off Reserve in Nova Scotia: 1980 and 1981

	Micmac On Reserve	Micmac Off Reserve
Employment status of the labour force (1980)		
Pecentage employed regularly	30.9	61.5
Percentage employed irregularly	38.7	13.5
Percentage unemployed year-round	30.4	25.0
Socioeconomic status of occupations (average Blishen scores) of the labour force (1980)	329.8	241.9
Percentage of adult population dependent on social assistance (1980)	64.5	35.4
Average number of years of education for adult population (1981)	8.4	9.6
Percentage of adult population with jobs directly dependent on government funding (1980)	65.9	57.0

Source: DAL/UNSI Data Base.

The Culture of Poverty Hypothesis

In tracing the orthodox paradigm, we have to this point delineated theories that attempt to explain why there are low-wage, low-status jobs, as well as why minority groups in particular are being concentrated in that sector of the economy. The argument is not quite complete, however, for there are negative consequences to being in a state of poverty and unemployment for a long period of time – consequences that negatively affect the capacity of individuals to break out of this pattern.

Orthodox sociologists and anthropologists tend to argue that in economically advanced capitalist societies, poverty and low status are experienced in a relative sense – one feels poor in relation to what others have achieved – rather than in an absolute sense of being without the material essentials to carry on. The notion of relative deprivation implies that the poor identify with a group that enjoys higher status and income, but in the absence of sufficient mobility, due to barriers such as those created by discrimination, they are unable to achieve higher status. "Failing to gain acceptance in the group with which he identifies and, because of his out-group orientation, having lost acceptance in the group to which he belongs, the individual becomes the classic example of the marginal man, poised on the edge of several groups but fully accepted by none of them."[84] This has often been described as the dilemma facing many minority group members.[85]

Given a situation in which the goals of higher status or income are accepted but the means of attaining them are denied, various kinds of adaptive behaviour are possible.[86] One form is overt rebellion against the established structure. Another possible response is withdrawal from social intercourse, along with other adaptations which Oscar Lewis designates as the culture of poverty.[87] The culture of poverty is described as both an adaptation and a reaction of the poor to their marginal position in a class-stratified, highly individuated capitalistic society. It is a way of coping with feelings of hopelessness and despair due to the realization of the improbability of successful mobility in terms of income and status, while also meeting the immediate needs of a population not well served by the institutions and agencies of the larger society. It is most likely to be found among populations who have had their traditional order (including traditional legitimations of inequality) destroyed, as have, for example, blacks and native peoples in the more industrialized portions of North and South America. In

particular, Lewis has described urban slum dwellers in Mexico and Puerto Ricans in New York City along these lines. Some of the main characteristics of the culture of poverty are as follows: disengagement from the institutions of the larger society, except for the jails, the welfare system, and the army; hostility toward most formal institutions, such as banks and the legal system; a low level of social organization, as reflected, for example, in few voluntary associations; less adherence to stable married life and consequently more mother-centered families; and strong feelings of fatalism, helplessness, dependence, present-time orientation, and machismo.

While the culture of poverty has some positive features – spontaneity, enjoyment of the sensual, providing a design for living for the poor – Lewis judges it to be, on the whole, "a comparatively superficial culture. There is in it much pathos, suffering and emptiness. It does not provide much support or satisfaction, its pervading mistrust magnifies individual helplessness and isolation. Indeed, poverty of culture is one of the crucial traits of the culture of poverty."[88] Furthermore, once it comes into existence it perpetuates itself. Children are socialized into it by age 6 or 7. "Thereafter, they are psychologically unready to take full advantage of changing conditions or improving opportunities that may develop in their lifetime."[89] The culture of poverty, in other words, itself becomes an obstacle that keeps people in a state of poverty and underemployment.

In a somewhat flawed manner and without supporting data, Mark Nagler applies this perspective to native people in North America.[90] He argues that much of their traditional way of life has been destroyed and has been replaced by a culture of poverty, characterized by family instability, superficial interpersonal relationships among Indian families, feelings of hopelessness, dependence, and inferiority, and a lack of social organization. "Indeed, this is a precise illustration of the factors which serve to inhibit a large segment of North American Indians from obtaining the standards of living held out to all by the ideological base of our society."[91]

Modernization Theory

The focus of the culture of poverty thesis is on the poor, who often live in urban areas, in countries that have taken major steps towards industrialization. Emphasis is placed on the loss of traditional culture born out of the experience of poverty in a world of affluence. There is, however, another stream of orthodox literature – modernization theory – that focuses on the problems of development in the less-industrialized countries comprising

much of the Third World. Because of some similarities in the experience of North American Indians to that of indigenous populations in the Third World, such as that of colonialism, the modernization perspective is sometimes applied to them as well.

Typically, an underdeveloped country is seen to be divided into two sectors, traditional and modern. The former is usually numerically much larger than, and geographically isolated from, the more modern, industrial, and often urban enclave. However, the latter represents the dynamic thrust of the future. Characterized by technologies based on machine production in large-scale factories for mass markets, the relationships, culture, political institutions and social structures appropriate to modern industrial society are destined to spread from the centre to the traditional periphery and to predominate in the long run. This spread is effected primarily by the competition mechanism of the free market, which destroys or transforms the more backward enterprises and the traditional characteristics of the groups working in them. Increased mobility of individuals between country and city, the effect of mass communication and transportation, formal education, and the development of a modern state all serve to disseminate a set of rational, maximizing behaviours that are essentially the same for all members of society.

Thus, according to the modernization perspective it is the characteristics of the traditional sector that represent the major obstacles to be overcome if development is to proceed. It is alleged that people in the traditional (read "native") sector are characterized by resistance to change, a clinging to the old ways, and a refusal to adopt innovations;[92] their child-reading patterns are inappropriate for producing individuals with a high need for achievement;[93] their social environment stifles the development of entrepreneurs and risk-taking behaviour;[94] and various institutions, such as the family, the educational and the political system, have shortcomings that inhibit developmental initiatives.[95]

Nagler applies this perspective to Indian communities in Canada and again finds traditional Indian cultures wanting: "their basic values are at variance with the value system possessed by North American society. As such, the value of punctuality, saving, future orientation and the work ethic serve to maintain a vast separation between Indians and the rest of North American society. These factors, combined with prejudice, have been instrumental in effecting their low socio-economic position".[96] The solution, it appears, is closer contact with, and emulation of, modern non-Indian society. Thus the Hawthorne

Report posited that individuals living on reserves located close to urban areas will respond positively to the material and status incentives of the modern sector. "Indian bands living in close proximity to white communities should have correspondingly more developed consumer tastes, especially for expensive durable goods or services that involve long term saving or debt commitments. This should seek to induce Indians to seek and hold steady well-paying jobs and to accumulate capital to develop their resources more effectively..."[97]

A major implication of the modernization perspective, of course, is that traditional groups will wither away in time under the onslaught of the industrial society; their resistance is only temporary, and they will soon be assimilated to, and derive their living from, the industrial model. Thus, a homogeneous society will once again result.

Orthodox Policy Recommendations

From the above discussion of the various strands of orthodox theory, the main policy thrusts derived from the perspective should now be reasonably clear. Anyone acquainted with the history of Micmac communities over the last four decades would understand the extent to which the following measures have in fact been implemented, although government policy has not always been entirely consistent.

First, substantial investments have been made in improving the level of general education and vocational training in order to build up human resources and facilitate individual adaptation to the ongoing structural changes in the economy.[98] In looking at the improvement in educational attainments of the Micmac population (see Table 3.5), one can see that the investments in education had an effect, but it should not be forgotten that over the same period substantial investments were made in non-Indian education, with corresponding improvements to be noted there as well. Along with education and training, a large portion of the budget was devoted to improving levels of health and housing on the reserves, in part at least to enhance the productivity characteristics of the labour force.

The educational programs have been justified not only as a means of teaching skills appropriate to a rapidly changing industrial society, but also as a way to inculcate the appropriate attitudes and behaviour. "A difficult problem of industrialization lies in the inculcation of work habits regulated by the clock and the weekly calendar, the acceptance of steady (and often monotonous) time schedules and routines, of submission to

authority, and other requirements of employment in modern industrial and commercial enterprises".[99] While attempts to assimilate the Micmac to the standards of the dominant society have been longstanding,[100] the most concerted attempts have been made in the post-war period. In the historical section of this book we described how the Eskasoni reserve lost its relative isolation and autonomy once the Department of Indian Affairs decided in the early 1940s to relocate several smaller communities to Eskasoni and centralize its administration. The agents of "modern" culture assumed full control of the major institutions, such as the church, the band government, the police, and the health care system, and did their best to teach the Micmac the "proper" way of doing things.

In the formal school system, on-reserve day schools and residential schools were closed down, and by the early 1960s most Micmac students in the province were attending non-Indian schools in nearby communities from the earliest grades until they were able to leave the system. Although progress is now being made to build on-reserve schools, train Micmac teachers, and develop some native content in the curriculum, there has been little recognition of the need for these measures. In the last several decades, the teachers, administrators, school-board members, and the curriculum have been, almost without exception, totally non-Indian.

The policy implications of orthodox theory are also evident in other government initiatives. Some attempts to remove artificial restrictions and labour market imperfections have been in evidence. Thus, we have seen attempts to ensure that the Micmac have equality of opportunity in terms of access to education and training. Along similar lines, the federal and provincial governments have supported programs to curb discriminatory activity through the establishment of human rights commissions. Affirmative action programs are now much in vogue as a means of surmounting or evading discriminatory practices in labour force recruitment, hiring, and promotion. Occasional attacks have also been made against the reserve system and special status arrangements. For example, enfranchisement was a popular strategy of the 1940s and 1950s, and the more "progressive" Indians have been encouraged to move off the reserve through the promise of a favourable housing subsidy. The federal government's 1969 White Paper, in particular, envisaged the abolition of the reserves over time and the loss of special status and aboriginal title.[101] Indians saw the same motive in Ottawa's recent attempt to repatriate the

Constitution before an amendment guaranteeing the continuance of native rights was secured.

One cannot conclude, however, that government policy is always consistent with the prescriptions of orthodox theory. The funding of Indian organizations, the attempts to decentralize Indian administration to the band level and thereby fortify the role of the band councils, the ready availability of welfare measures, the belated introduction of native content into the curriculum, the attempts to revitalize Indian culture – these measures can be seen as anomalies from the perspective of the orthodox paradigm. We will need to turn to other theoretical perspectives in order to discover the roots of these and other policies.

Segmentation Theory

Segmentation theory can be regarded as a middle-range theory that poses alternative explanations and prescriptions to certain labour market issues, in contrast to the status attainment and human capital approaches discussed earlier.[102] Its roots in economics can be traced back to the institutionalist approach of the late 1800s, which is fortified by the writings of authors such as Clark Kerr and Lloyd Reynolds in more recent decades.[103] The segmentation perspective gained further momentum in the 1960s and 1970s as researchers and policy analysts, reflecting on the experience of the American "War on Poverty", attempted to capture the structure of the labour market from the vantage point of ghettoized urban blacks, contrasting their experience with that of white, suburban workers.[104]

While the model has not been applied specifically and systematically to the experience of native people in the labour market, it does offer some interesting insights. In particular, it describes fairly accurately the labour market experience of groups such as racial minorities who are found in disproportionate numbers on the fringes of contemporary economies, engaging in short-term, low-wage work and shifting regularly between such employment and training or welfare programs.

The Existence of Segments and Discontinuities

In orthodox theory, as we have seen, terms such as continuity, universality, and homogeneity figured prominently. At the core of segmentation theory, by way of contrast, is the idea that discontinuities and a lack of uniformity are typical of advanced industrial societies. It is argued that divergent experiences, behaviour, and outcomes are not uncommon: "...individuals in

industrial society find themselves not ranged along a continuum of income or status but placed within socially structured segments that constitute the settings within which they conduct their affairs".[105]

What are these segments, then? There are various conceptions. Suzanne Berger, writing about Italy, describes a "traditional" sector of small, family-owned firms with high labour-capital ratios, such as farmers, shopkeepers, and artisans. She contrasts this sector to a "modern" one of larger, more capital-intensive industrial companies.[106] In the United States, writers such as Robert Averitt and John Kenneth Galbraith speak of central and peripheral firms or the monopoly and competitive sector of the economy.[107] Another common approach is to focus on the characteristics of jobs within establishments delineating, for example, a primary and secondary labour market.[108] Secondary work situations are said to be characterized by relatively low wages, poor working conditions, high labour turnover, and little job security or few career advancement opportunities. These are essentially unskilled jobs, held disproportionately by young people, women, foreign migrants, or racial minorities—often people who have important commitments to social roles outside the work place, such as the home, the country of origin, the farm, or the reserve, and who therefore are less than fully committed to the secondary jobs they hold. Primary jobs, on the other hand, have more positive characteristics, including high income, stability, security, and advancement opportunities. Professional and managerial jobs, stable blue-collar and white-collar positions, and some craft jobs would fall into the category of primary labour.

However they are defined, it is suggested that the creation and maintenance of segments meets certain needs in industrial societies and that thus the existence of segments is not a transitory phenomenon. Berger argues that the "traditional classes", or the marginal sector, survive with a tenacity out of all proportion to the residual, declining role assigned to them in other models.[109] This is not to say that they survive in a static sense, for the interface between segments, and the relative size, composition, and strength of each segment keeps changing. Segmentation, in other words, is as much a process as it is an outcome.[110] Nor does it mean that the traditional sector exists in isolation from the modern or central industrial sector. One can find evidence of interconnections, conflicts of interest, exploitation and dependency between segments both at the level of firms and at the level of individual workers. The persistence of

segments does suggest, however, that industrial societies are not converging to a single homogeneous model.

The Origins of Segmented Labour Markets

As with the number and type of segments, there are different perspectives on the causes of segmented labour markets. A view developed by Michael Piore suggests that dualism arises from attempts to cope with the "flux and uncertainty" faced by all industrial societies.[111] It is argued that the market for any commodity can be divided into stable and unstable components. Large, relatively capital-intensive firms with long production runs are organized to meet stable demands, and it is in this kind of firm that primary labour market jobs are likely to develop. Smaller, less-specialized, more labour-intensive and versatile firms are used to cope with the uncertainties of the unstable sector, and jobs with secondary labour market characteristics are most appropriate in this context.

Another causal factor is outlined by writers proceeding from a Marxian perspective, who point to the inevitable tendency for capital to become concentrated and centralized, thereby leading to core or monopoly sector firms. Capitalists develop jobs with primary labour market characteristics in order to buy off and divide an increasingly homogeneous labour force. Outside the core sector, peripheral firms provide secondary jobs. Here the employment practices of early capitalism are continued, including control by simple hierarchy and the use of the reserve army of the unemployed to keep wages down.[112]

Critics of both perspectives have pointed out that these causal arguments, by focusing on the demands of technology or the actions of employers, have neglected the independent role of labour and its organizations in effecting more secure and protected employment.[113]

The Implications of Segments

There are several distinctive features about segmentation theory that contrast with orthodox perspectives and that are important to an understanding of the framework as it applies to racial minorities.

First, since industrial societies are seen to be divided into two or more segments, rather than being homogeneous, it implies that behaviour, opportunities, rewards, and experiences differ from one segment to another. It follows that one cannot explain important phenomena such as wage determination or occupational mobility on the basis of a model that assumes homogeneity and continuity – the nature of the explanation will

need to be different depending on the segment being analyzed. To take the role of education and training as an example, segmentation theorists would argue that levels of education or human capital are considerably less important in determining income or employment status in the secondary labour market than they are in the primary labour market, in view of the fact that low-skill jobs that offer few prospects for career advancement and which often dead-end are involved in the former. Thus, further investments in education or training are not likely to improve one's position. In fact there seems to be little difference in whether one is working in a low-wage job, subsisting on unemployment insurance, or taking part in a manpower training program: all of the steps in the cycle are characterized by low monetary rewards, instability, and the lack of advancement.[114]

Second, in contrast to the notion of worker sovereignty held by orthodox theory, institutions are the starting point in the segmentation literature. They are seen to offer a mixture of rewards and constraints to individuals, encouraging some behaviours while discouraging or foreclosing others. The emphasis on constraints and the lack of choice for those in the marginal sector is pervasive. For example, the number of job openings in the core sector that offer high wages, job security, and so forth is much less than the number of applicants for them. The labour market has no clearing mechanism whereby more jobs are offered as a result of applicants being willing to work for lower wages than the incumbents are. Significant barriers, in the form of credentialism, licensing provisions, controlled apprentice requirements, and discrimination serve to limit the opportunities for the secondary labour force to move between segments, so that once a person is in the secondary sector, chances are that he/she will be restricted to it.

Third, it is argued in the segmentation literature that the actual and anticipated experience of individuals in labour market segments has an impact on their attitudes and behaviour, which in turn feeds back to their work situations. For example, persons with long-term exposure to secondary jobs may develop unstable work histories and a low level of commitment to doing work reliably, since the jobs themselves are unstable and there are few rewards for dutiful performance. This in turn may be used by core employers as a reason for not hiring those wanting to break out of the secondary labour market. A more positive cycle between jobs, attitudes, and behaviour is seen to operate in the primary sector. The segmentation view of human nature is essentially optimistic, however, in that people are seen as

malleable and able to adjust to different work settings. Berger and Piore put it as follows:

> ...we have been impressed with how easily the skills required for moving from one segment to another are acquired by most people and how little constraining are intrinsic intelligence or initial values and orientations when economic expansion and social change make mobility possible. The same people who once worked in the unstable segment of industry and had poor work habits, little discipline and low skills move into regular industrial work requiring disciplined, conscientious endeavour when possibilities open for such a shift...we can account better for individual behaviour by looking at the incentives and constraints that prevail in given social groups and by assuming great human plasticity and a wide range of individual possibilities than by starting with a view in which the characteristics of individuals determine their social and economic place.[115]

The final point of contrast to be noted between segmentation theory and orthodox perspectives is the following. In orthodox theory, the labour market cannot be blamed for inequality and low pay; it simply reproduces the inequality of productive characteristics which individuals bring to it. Further, it is argued that people are paid what they are worth; that is, individuals with comparable qualifications will obtain equal rewards as long as competitive conditions prevail. Segmentation theorists argue, in contrast, that the labour market accords significantly different opportunities and rewards to otherwise comparable people. It does so through the development of non-competitive internal labour markets in core sector firms, for example, which treat insiders more favourably than comparable outsiders, and by establishing barriers to mobility which constrain qualified individuals to secondary employment. In their empirical work, then, writers proceeding from a segmentation perspective tend to identify substantial inequalities in employment rewards (usually income) between males and females, between racial groups and even between persons performing the same occupations when human capital, experience, and other similar variables are held constant.

The Allocation of Groups to Segments

Segmentation theorists suggest that certain groups, such as young people, women, racial minorities, and immigrant workers, are overrepresented in secondary jobs and peripheral firms. Our data can be read to support this point in the case of the Micmac labour force in Nova Scotia. Figures presented in Chapter 3 have, it will be recalled, documented the high percentage of irregular employment, work in small-scale construction (especially Canada Works projects), fishing, woodcutting on a contract basis, and jobs in tourism. These are typical examples of marginal secondary employment. In addition, Table 3.20 indicated that over half of the Micmac workforce is found in minimum-wage establishments.

How is it that groups such as the Micmac find themselves disproportionately represented in the marginal sector? A number of factors are identified in the segmentation literature.

While the emphasis of the model is on constraints and barriers, an element of choice is acknowledged. For example, women with family obligations may seek part-time work for supplementary income, or youth may experiment with short-term, easily accessible jobs before settling down to a long-term career. Usually, people who choose secondary employment have other commitments that are predominant – for example, commitments to their families, to their country of origin, to schools, and to the reserve community. They may venture into secondary employment only for short periods of time until a pre-established monetary goal has been obtained (such individuals are referred to as "target workers") and then return to their main base of loyalty.

A more common theme in the literature, however, is that most participants in the secondary labour market have few alternatives and are allocated to the marginal sector for reasons that have little to do with choice. In the case of the Micmac, their vulnerability and lack of power resources was clearly illustrated in our review of their economic history. It was suggested there that the Micmac were pushed aside to the fringes of the white economy in the period following the fur trade. With few resources such as land or education to draw on, they have consistently been relegated to marginal industries. As non-Indian Nova Scotians filled the jobs at the core of the economy – in coal, steel, pulp and paper, or highway construction – and developed job shelters to protect their positions, the Micmac were left on the outside looking in. It would be argued that this continues to be the case, as illustrated by contemporary data on the extent to which Micmac jobs are protected by labour unions in the province.

Despite being strongly overrepresented in industries that typically have high rates of unionization, such as construction and the public service, the unionization rate for Micmac workers is less than a quarter of the non-Indian proportion, as is indicated in Table 4.3, following.

Table 4.3
Membership in Union or Staff Association; Includes the Employed Micmac Labour Force in Nova Scotia and the Total Nova Scotian Labour Force: 1980

	Micmac on Reserve	All Micmac In N.S.	Total N.S. Labour Force*
Member of union or staff association	4.7	7.5	33.6
Non-member	95.3	92.5	66.4
Total	100.0	100.0	100.0
(Number of cases)	(720)	(809)	(402,061)

* The figures for the total N.S. labour force refer to union membership only on the part of the non-agricultural paid work force.

Source: DAL/UNSI Data Base and the Nova Scotia Department of Labour.

Schools are also seen to play a role in allocating opportunities in the labour market unequally. Ryan argues that, due to pre-market segmentation, the opportunities to acquire education and training are not equal for the members of all socioeconomic classes or racial and ethnic groups, and those that leave the school system early will be more likely to be consigned to the secondary labour market.[116] Thus, while orthodox writers would "explain" Micmac poverty and underemployment by referring to low levels of human capital, segmentation theorists would examine the unequal opportunities they have to achieve a decent level of education. These writers might examine factors such as the bias of school systems and their curricula to favour

white middle-class students and the function of schools to impart credentials and to socialize students to their "proper" role in various portions of a stratified labour market. They would find some support for their views from data such as that presented in Tables 3.6 and 3.7, as well as Figure 3.6, which indicated that Micmac young people are not faring as well as their non-Indian counterparts in terms of remaining in and graduating from the school systems available to them in the province.

Once in the secondary sector, a number of barriers prevent mobility out of it. The lack of a sufficient number of primary jobs and the "social closure", or exclusionary, mechanisms practiced by core sector workers are among the factors usually cited. Employers in the primary sector may use racial characteristics as a quick way of identifying, through stereotypes, potential reliability or trainability (a process known as "statistical discrimination") or as a means of consciously fostering worker disunity.[117]

In consequence, groups such as the Micmac are therefore overrepresented in and restricted to the peripheral or marginal sector. They may well spend periods of time not working and relying on social assistance. Table 4.4 indicates, for example,

Table 4.4
Reliance on Social Assistance, by Predominant Wage Level of Employer, for the Micmac Labour Force in Nova Scotia: 1980

Type of Social Assistance	Predominant Wage Level		
	Minimum Wage	Intermediate Wage	High Wage
Unemployment insurance (UIC)	19.0	6.6	5.9
Indian Affairs welfare	40.4	21.4	17.0
Indian Affairs welfare and UIC	15.4	3.1	---
Other forms of social assistance	3.4	2.8	5.1
No reliance on social assistance	21.9	66.2	72.0
Total	100.1	100.1	100.0
(Number of cases)	(443)	(290)	(118)

Source: DAL/UNSI Data Base.

how much more the Micmac employees of marginal, minimum-wage establishments need to make use of social assistance in comparison with those that work for intermediate- or high-wage firms. They may also spend time in vocational training programs, as Table 4.5 suggests, but the figures reveal that in most cases vocational training has no impact on subsequent employment. This finding is at variance with what would be expected from an orthodox perspective on human capital. We have also found little evidence of mobility out of marginal employment over the period from 1975 to 1980. For example, less than 20 per cent of those who were unemployed in 1975 or who had irregular employment in that year were able to make the transition to regular employment in 1980 (see Table 4.6).

Table 4.5
Relevance of Vocational Training for Jobs in 1980, For the Micmac Labour Force in Nova Scotia

Relevance of Training for Jobs in 1980	Micmac On Reserve	All Micmac in Nova Scotia
Direct link	31.3	32.9
Indirect link	3.0	2.7
No link	23.5	22.9
Not clear	7.6	7.6
On course now	5.1	4.7
No jobs in 1980	29.5	29.3
Total	100.0	100.1
(Number of cases)	(396)	(450)

Source: DAL/UNSI Data Base.

Table 4.6
Changes in the Employment Status of the Micmac Labour Force Between 1975 and 1980

For those with regular employment in 1975, their labour force status in 1980 was as follows:

	Percentage
Regular employment	53.7
Irregular employment	21.2
Unemployed year-round	8.4
Unemployed and other labour force status	0.5
Other labour force status*	16.3
Total	100.1
(Number of cases)	(203)

For those with irregular employment in 1975, their labour force status in 1980 was as follows:

	Percentage
Regular employment	19.8
Irregular employment	40.3
Unemployed year-round	20.9
Unemployed and other labour force status	4.6
Other labour force status*	14.5
Total	100.1
(Number of cases)	(263)

For those who were unemployed year-round in 1975, their labour force status in 1980 was as follows:

	Percentage
Regular employment	19.5
Irregular employment	24.0
Unemployed year-round	23.1
Unemployed and other labour force status	4.9
Other labour force status*	28.4
Total	99.9
(Number of cases)	(308)

* "Other labour force status" includes categories such as housewife and retired.

Source: DAL/UNSI Data Base.

The Role of Welfare, the Reserves, and the State

It will be recalled that, in orthodox theory, the welfare system and the reserves are regarded negatively as posing artificial impediments to the free functioning of market forces which, if unfettered, would result in full employment at fair wages. In the segmentation literature, the welfare system and reserves would be seen in a more positive way as providing a refuge for Indian people, both in cultural[118] and in economic terms, by providing a means of resisting the most exploitative job offers.[119] At the same time, the existence of these alternatives serves to sustain the protected segments of the labour market by providing a means of subsistence and social support to persons who would otherwise have no choice but to undercut the privileges of those in the primary labour market. It is recognized, however, that there are negative consequences to long-term dependence on welfare and to living in communities with high levels of unemployment, particularly the undermining of the behavioural and attitudinal characteristics required to support stable work patterns.

Policy and Strategy Considerations and the Role of the State

The kinds of policy and strategy recommendations that emerge from a segmentation framework are, perhaps, reasonably clear from the foregoing analysis. At least three directions can be identified.

First, one would be concerned to pursue a policy of achieving full employment and, in the process, to try to maximize the number of primary sector jobs. The casualization, privatization, or contracting out of work, if it takes the form of converting existing jobs from those with primary characteristics to those with secondary characteristics, would be resisted.

Second, strategies would emphasize the creation of opportunities for movement from the secondary to the primary sector. For example, affirmative action programs that would serve to place minorities in the primary sector, thereby avoiding entrance barriers and discriminatory hiring patterns, would be supported. Measures to reduce the inequality of access to and performance in educational systems in order to in turn reduce pre-market segmentation would be advocated. For those moving into the primary sector, the importance of gaining at least a toe-hold at the entry level of various career hierarchies would be stressed.

Finally, measures to build shelters around, or otherwise to prevent abuses in, the secondary labour market would also be advanced. For example, it may be possible for Micmac band staff

to become unionized, for Indian fishermen to be licensed, or for marketing boards to be established to negotiate prices for pulpwood cutters.[120]

In view of the flux and uncertainty said to be inherent in industrial societies, however, as well as the constraints imposed by a competitive international environment, it is unlikely that secondary labour markets and their negative characteristics can be eliminated or completely transformed. If view of this, government policies that limit the worst features of secondary labour markets are advocated, specifically measures that would extend provisions for minimum wage, health and safety, and labour organization. Governments, it is believed, can be moved to enact protective legislation, but the building of strong political coalitions is required in order for such measures to be successful.

Conclusion

Segmentation theorists, as well as their critics, will acknowledge that the framework needs a good deal of further development, both theoretically and empirically.[121] As an explanation of poverty and underemployment among the Micmac, however, it offers some refreshing departures from orthodox models. The approach is insightful to the issue at hand in part because it focuses on the differing experience of groups in a capitalist market, rather than on the presumed motivations and experiences of the so-called average man. It is also more optimistic about the possibility of changing the effects of negative feed-back and about the prospects for the persistence of traditional groups in industrial society.

Dependency, Internal Colonialism, and Staple Theory

In this section, we examine three approaches to underdevelopment that share certain basic similarities: dependency, internal colonialism, and staple theory. Dependency theory has usually been applied to relations between capitalist developed countries, on the one hand, and underdeveloped Third World societies, on the other. When the theory is applied to explain certain racial or ethnic inequalities within a country, the term internal colonialism is often used. Staple theory is a Canadian invention which focuses on the successive development of staple industries in Canada, from fish, fur, and lumber, to wheat and minerals, and which discusses the impact that such staple-centered development has had on the rest of the economy, the polity, and the society.[122]

Dependency and related theories represent an explicit rejection of the modernization approach discussed in the section on orthodox theory. In fact, one of the main statements of the dependency framework includes an extensive critique of modernization theory.[123] The most important difference is that the focus of the explanation of underdevelopment is shifted away from the alleged deficiencies of the traditional sector; rather, it is argued that this sector becomes underdeveloped as a result of exploitation by capitalist countries or colonial groups. The traditional society can not be regarded as a self-contained unit but is instead caught in a web of political and economic relationships which have, over time, served to underdevelop it.

This is not to say that dependency theorists deny the existence of traditional attitudes and institutions in underdeveloped societies. Rather, these features are argued to be unimportant in a causal sense of explaining underdevelopment. What is required for development to proceed is not in the first instance a set of wholesale changes in the traditional society – the "periphery" or "satellite" as it is often called in the literature, in contrast with the "core" or the "metropolitan" sector – but rather the cutting of exploitative, dependency-creating relationships and the transformation of the social structures and political systems that sustain them. Societies can best develop when they are left alone to make decisions about their own priorities with the benefit of their own resources. Thus, André Gunder Frank has attempted to demonstrate that Brazil, for example, was able to develop economically when its ties to metropolitan countries were weakest, and the same sentiment lies behind Lorraine Ruffing's comment that the Navajos prospered in the period between 1868 to 1921 "as a result of their relative isolation".[124]

The dependency perspective strikes a responsive chord with many Indian people who, in looking back over their history, trace the beginnings of their social and economic disintegration to the arrival of the Europeans. The loss of land and the pushing aside of the Micmac during the settlement period, in particular, is felt to be the turning point that has weighed most heavily on all subsequent attempts to break out of a cycle of poverty and underemployment.

Internal Colonialism

When the underdevelopment of culturally distinctive racial and ethnic groups is analyzed from a dependency perspective, an analogy to the colonial experience is often made. E. Palmer Patterson's history of the Canadian Indian, for example, points

out the historical parallels between the colonial expansion of Europeans into Africa and their penetration of North America.[125] His "catalogue of parallel experiences" cites such commonalities as the exposure to European diseases, the loss of land, the establishment of missionary havens, the military alliances with local tribes, the use of indirect rule, and the establishment of colonial administrative bureaucracies.

Many writers suggest that the colonial relationships of the past have been continued into the present in the form of internal colonialism. Beer defines the latter as follows: "As an ideal type, internal colonialism is a relation of political subordination and economic exploitation that results from colonization by settlers, refers to a specific region, and refers to relations between groups who see themselves as culturally distinct."[126] The most succinct application of this concept to the Indian context is provided by Ruffing:

> The Navajo Nation appears to be an internal colony of the U.S. in every conceivable sense. It is isolated geographically; it is discriminated against racially and culturally; it is dominated politically, economically and ideologically. The Navajo Nation and its resources are controlled by the Department of the Interior which has allowed large corporations to siphon off Navajo oil, gas, coal, and uranium for their own benefit as well as the benefit of the American public. Meanwhile, the Navajo economy remains underdeveloped and the Navajo people are subject to a degree of deprivation unmatched by any other minority group within the United States."[127]

A similar interpretation of the Canadian context is advanced by Mel Watkins, James Frideres, Gail Kellough, and Peter Carstens, among others.[128]

The Mechanisms of Underdevelopment

In some versions of dependency theory, the relation between the core and the periphery of a society is seen as uniformly negative, with the development of the former leading inexorably to the underdevelopment and stagnation of the latter. Often, the multinational corporation is regarded as the chief agent of such exploitation, taking raw materials from the periphery (or internal colony) at low cost and gaining huge profits from their subsequent processing and sale. In other versions, particularly those which concentrate on the role of a multinational that is

located in the peripheral areas and which produces goods for a local market, it is acknowledged that the multinational can be a source of growth and dynamism, since it needs to create some internal prosperity (for example, an urban, middle, and upper class) if it is to sell its consumer goods.[129] However, while some local wealth is generated, there are still substantial drains of capital resources through profit and interest remittances, royalty payments, and so on.

In most of these analyses, private corporations (or, in earlier times, trading companies) are the important actors in the situation. The state is also involved, however, and in most cases is seen to be acting in a supportive manner to realize the interests of the private sector rather than advancing the interests of the Indian people. Thus, Ruffing criticizes the U.S. Department of the Interior for supporting an approach to resource development that hands over control to external companies, rather than an approach that would encourage local control and self-reliance. At best, the government provides some protection to the Navajo through the reserve system and the historical trust relationship, although it cannot always be relied on; Ruffing claims that federal officials have always had a hard time distinguishing Indian resources from public resources. The government has also made large infusions of funds for housing, welfare, education, health and short-term job creation, but in her view these serve only to ameliorate the symptoms of Navajo underdevelopment, rather than addressing its causes.[130]

For other writers, however, the government, because of its pervasive role, is the main culprit in the situation. Carstens writes that the most important force affecting "the social position and lifeways" of the Canadian Indians has been the continuing coercive power of the central government. The "inflexible, codified power of the Indian Act" has circumscribed the decision-making capacity of Indian bands; the reserve system has isolated native people from the larger society and hindered their adaptation to change; and the pervasive role of the Department of Indian Affairs has created extensive dependency and a lack of initiative on the part of Indians.[131]

The theme of dependence upon the central government and the need to break away from this pattern has also been pervasive in the writings of Indian authors.[132] The issue has most recently been taken up by the Parliamentary Committee on Indian Self-Government.[133] In its report, it urges the abolition of the Department of Indian Affairs within five years and the rapid assumption of responsibility by Indian bands for a wide variety of social, political, and economic programs.

Thus, the dependency (or internal colonialism) literature identifies both public and private sector actors as the agents of underdevelopment, with the role of the state being somewhat more prominent when the roots of the underdevelopment of Indian communities are examined.

Economic Distortions

For those who write in the framework of dependency, internal colonialism, or staple theory the main problem with dependent development is that decisions are externally controlled and subject to external priorities, rather than meeting local needs. Resource development under the control of the multinationals, for example, serves a national or international market and timetable; the role of the periphery is primarily to yield the natural resources. One can end up, then, with a situation such as the following, as described by Ruffing:

> Mineral activities are well developed by energy companies to supply urban-industrial centres, meanwhile 50 per cent of Navajo homes are without electricity. Timber products are marketed in 25 states yet there is a Navajo housing deficit of 13,000 units. Development plans for commercial agriculture call for raising profitable export crops despite the fact Navajo lives are shortened by 25 years due to protein deficiencies.[134]

A second distorting implication of dependent development is the difficulty it presents for building an integrated local economy, that is, one in which the major sectors complement each other, rather than, at best, working in isolation or, at worst, interfering with each other. In dependent economies, each sector typically marches to its own tune since most are integrated with a national or international economy. Thus, Navajo efforts to establish a manufacturing sector to provide jobs have been concentrated unsuccessfully in attracting footloose manufacturing firms, rather than in developing processing industries that refine their own renewable and nonrenewable resources. Revenues derived from the resource sector could be, but currently are not, used to make investments in traditional farming and other activities. Commercial establishments could be set up to market local products, rather than, as is now the case, serving primarily as a vehicle for importing foodstuffs and finished goods from outside. By doing so, they discourage the development of local producers

who would supply not only products to meet local needs, but also jobs for the unemployed.

Staple theorists suggest that when production becomes organized around a particular staple for export, there is a tendency for resources to be concentrated in the expansion of facilities to such an extent that overcapacity is created, the economy becomes dominated by and dependent upon the vagaries of the staple, and diversification into other lines of activity is obstructed. This is what is known as the staples trap. Its effects would be less severe if a diversified economy could be built by taking advantage of potential backward, forward, and final demand linkages offered by staple production. Analysts of contemporary staple development are pessimistic about the potential for diversified growth, however.[135] Watkins, writing about resource development with regard to the Dene in the North, concludes as follows:

> There is also the matter of linkages of the staple sector to other sectors of the local economy. None of these linkages operate so as to create much economic activity in the North beyond the primary sector itself, and there is little reason to expect this to change. The primary product tends to be exported in relatively unprocessed form, and there is a high propensity to import both capital goods and consumer goods. Rather, the linkages tend to generate economic activity in southern Canada, the U.S. and elsewhere, thereby creating benefits outside the North.[136]

As mentioned above, dependency theorists and those with related theories do not deny the existence of traditional and modern sectors in underdeveloped societies. They do, however, challenge the claim that benefits from the latter trickle down to the former. In fact, their argument is the reverse: the modern or new sector is the vehicle whereby the peripheral society is underdeveloped. In so doing, the traditional portion is at best left to stagnate while resources are devoted elsewhere. At worst, the development of the modern sector actively undermines traditional activities – for example, by destroying the environment on which traditional hunting and trapping depends, undermining local businesses, or attracting native labour to the modern sector for the duration of the resource boom (or at least the construction phase), after which point they are unable or unwilling to make a living in traditional ways.[137] The

institutions of the new sector – whether educational or political – also serve to undermine traditional activities.

A final point about the distortions created by dependent development deals with the generation of high unemployment. Modern industrial activity, whether in resource extraction or product manufacturing, tends to be capital and technology intensive. Especially in the absence of linkages such as those referred to above, it tends to provide only a few jobs. Most underdeveloped societies, however, are characterized by high rates of population growth and therefore experience rapid increases in the size of their labour forces. If the traditional sector is neglected, exploited, or unproductive for other reasons (for example, the failure to implement land reform in Latin America), then high unemployment or underemployment is inevitably the result. In Third World countries, the expression of these trends takes the form of rapid urbanization, the development of shantytowns, and the proliferation of relatively unproductive forms of economic activity such as selling blankets on the streetcorner or shining shoes. In the context of the Canadian Indian reserve, outmigration of the surplus labour force is also part of the response to a lack of employment opportunities. The wealth of the society, however, and the relatively smaller size of the marginal population also permits the government to buy off the problem through welfare payments, unemployment insurance, and make-work schemes. Thus, the size of the public sector is rapidly expanding to cope with the economic and social problems that high unemployment and dependency inevitably bring with them.

The Social and Class Structure of Dependent Societies

It is argued in the dependency literature that, because of external dependent ties, the social structure of peripheral societies is also affected. Typically, the literature identifies the emergence of at least four significant social groupings or classes: a capitalist bourgeois class of businessmen who serve to link the peripheral economy to the metropolitan centre, a restricted middle class which is centered around government employment, a privileged working class segment, and a large, marginalized underclass.[138]

When applied to the Indian context in North America, a somewhat similar class structure can be identified. However, the business group is much more restricted, both in number and in influence.[139] On the reserves, band or tribal staff have the most privileged positions. They are joined by the staff and elected officials of other Indian organizations and by Indian personnel of government bureaucracies, and they function as the elite that

serve to link the Indian community with government and other external actors. John Loxley describes their role as follows:

> In some respects this section of native society...acts as an agent of colonialism or, since the state is increasingly implementing policies and programmes through native organizations, more accurately, of neo-colonialism. A number of members of this group use their influence to secure state financial assistance for themselves and their families and hence move into the petty bourgeois class. At the same time, they are answerable directly or indirectly to communities and therefore must demonstrate at least minimal commitment to dealing with community problems. In this situation they cannot be ruled out as potentially progressive agents and they frequently act to protect or further the interests of native people generally.[140]

Reserves that have a significant modern resource extraction sector located on the reserve or nearby also give evidence of having a privileged working class segment. Michael Asch refers disapprovingly to the young single men who earn high wages in the oil and gas industry in the MacKenzie Delta, and who spend their money on alcohol and on personal luxury consumption. He contrasts their lifestyle with that of the people who work in the bush. Ruffing, too, is concerned about the large income differentials created by a portion of the Navajo workforce being employed in the mining, timber, and construction sectors and earning unionized wages on a par with white workers. She suggests that "this nascent labor aristocracy" and the tribal administrators have a common vested interest in continuing present patterns of dependent development and thus present an obstacle to the reorientation of the Navajo economy toward self-reliance.[141]

While one would not want to group all of the remaining population into a category labelled "marginal", certainly there is a substantial proportion of the Indian population that is characterized by unemployment, underemployment, and welfare dependency. While the other classes are not unscathed, this is the group that pays most fully the price of dependency and underdevelopment, both in economic and in social terms.

Development Strategy

As can be seen from the above, the breadth of change required for real development to proceed is, according to these frameworks,

substantial. To isolate and remedy particular conditions, whether this involves the promotion of further education, the changing of values, the removal of barriers to job access, or the more intensive use of human or natural resources, is not adequate to the task. What is required, according to those writing from the framework of dependency theory, staple theory, and internal colonialism, are basic changes in the structures responsible for underdevelopment. In particular, this means breaking out of the pattern of external dependency and halting the appropriation of resources – in effect breaking from the financial and technological dominance of the multinational corporations and their allies. In the Indian context, breaking out of the pattern of dependence on the federal government is of equal paramountcy. A second and related requirement is that the social and political institutions presently supporting dependent development be changed. This includes changing the class structure and the role of the state and other institutions, such as the educational system, which at present is one of the chief purveyors of cultural colonialism.[142]

In some cases, fairly detailed and explicit development strategies have been elaborated.[143] Several principles are basic to the strategies developed, the first of which is that development needs to proceed under local (that is, Indian) control. This does not necessarily mean that resource extraction would cease or that multinational corporations would not be involved; capital and technology requirements in some industries would dictate otherwise. But control over the development process, and clear ownership of the land and its resources, would enable the Indian people to control the pace and purpose of developmental activity. It would enable them to capture resource rents, to develop backward and forward linkages with a view to building a more diversified economy, and to pursue development patterns that are consistent with their cultural and environmental priorities. Second, in order to gain control over sufficient land and its resources, some Indian tribes will need to have their traditional rights reaffirmed or reclaimed. Thus, the settlement of aboriginal title and land claims and compensation for past incursions is of high priority if a self-reliant development strategy is to proceed.

Third, considerable stress is placed on the shaping of development patterns so that they meet local needs and priorities rather than the wider demands of the Canadian or North American economies. Loxley calls this a convergence strategy, by which domestic resource use would be made congruent with domestic demand.[144] Thus, if timber is available it will be used first and foremost for reserve housing and related construction

needs. If the diet of the population is lacking in nutritional content, the agricultural sector will be shaped to meet the need. Ruffing recognizes, however, that for the Navajo and other Indian tribes, the internal market may well be too small to sustain viable industries. As a result, these industries will need to be competitive in order to sell their products in both the external and internal markets.[145]

It is also argued that development plans need to be integrated in at least two respects. First, modern and traditional activities need to be developed together, rather than one at the expense of the other. Royalties and other income derived from the exploitation of the non-renewable resource sector, for example, should be used to invest in the improvement of productivity in the traditional sector, whether the latter be in agriculture or in hunting, fishing, and trapping. Second, the various sectoral development strategies need to be integrated one with the other, so that complementarities result. An obvious example is that the manufacturing sector should be built around the processing of renewable and nonrenewable resources.

Writers in this tradition also tend to emphasize projects and forms of production that are feasible on a smaller, less capital-intensive scale, using appropriate technology. The idea is to make use of resources that are plentiful, especially human resources, and to conserve those that are scarce, such as capital resources. One finds, too, a preference for decentralized and balanced development (such as community-based economic development) that maximizes opportunities for worker and community participation.[146]

Finally, the emphasis in these strategies is on collective, rather than individualistic, approaches to development. Individual ownership, or competitive individual occupational mobility, is an approach that is said to yield benefits for the few at the expense of the many and to lead to the formation of elite families and extreme inequalities.

To counteract the tendency toward growing inequality, Ruffing advances interesting proposals to tax high wage earners in the resource sector and to reinvest the funds obtained through employment-creating projects. Collective ownership of land and resources, and cooperative forms of organization, are also often recommended.[147]

Application and Assessment

Within scholarly circles, there continues to be a good deal of debate about the strengths and weaknesses of dependency theory.

Reviews have been completed by a number of writers, and we will not duplicate their work here.[148]

In applying the perspective to North American Indian societies, however, some caution about taking the analogies with the Third World and colonialism too far needs to be expressed. While reserves exhibit many of the indices of underdevelopment common to Third World countries, they are surrounded by massive wealth. It has become possible, therefore, to buy off Indian poverty through welfare payments, unemployment insurance, and make-work projects. The numerical ratio of colonizers to the colonized is quite different from that in Third World countries, and in North America it is the latter who live in enclaves, rather than the former. As Beer points out, the colonizers are not a remote and uniform group but an overwhelming population which displays considerable internal diversity and inequality.[149] The reserves were not created for the express purpose of supplying resources to the colonial power; rather, "they are remnants of the massive theft of Indian land which occurred during the nineteenth century".[150] In terms of identifying with colonized people around the world, George Manuel and Michael Posluns suggest that the identification is more likely to be with other aboriginal peoples, a "fourth world", more so than with the subjects of classical colonialism in Africa and Asia.[151] The prospects for national independence are also much more limited in the Indian case. Thus, while there are useful parallels to be drawn with colonialism, particularly with that which occurred during the eighteenth and nineteenth centuries, the experience and context of North American Indians have diverged somewhat since that time. One needs to be careful in drawing predictions or conclusions about policy from an analogy that is too closely drawn.

How applicable to the Micmac of Nova Scotia are the models described in this section? One would have to recognize the relevance of staple theory for interpreting the impact of the fur trade on the Micmac. The analogy of colonialism is also of relevance, particularly during the period we have called the settler economy and with regard to the accompanying loss of land by the Micmac. In the contemporary period, a number of empirical indices presented in Chapter 3 demonstrate the extent of underemployment, marginalization, and other distortions in Micmac social and economic patterns.

One would also have to acknowledge, however, some major departures from the models outlined in this section. First, with regard to staple theory, the Micmac have had only peripheral involvement with staple development since the fur trade. While

developments in timber, fish, lumber, pulp, wheat, and, more recently, gas and oil have gone on about them, none has had an overriding impact on the employment patterns of the Micmac. In contrast to groups such as the Navajo and the Dene, the resource base of Micmac communities is much more limited. Thus, the spectre of resource-seeking multinational corporations robbing the Micmac of their wealth has not been a prominent factor in the way that it has been for other Indian and Third World nations.[152] Staple theory, therefore, is of limited utility in explaining the nature of Micmac employment in the twentieth century.

Second, the traditional/modern split in economic activities that figures prominently in dependency theory and in its application to groups such as the Navajo or Dene is not nearly as significant for the Micmac. Whereas western and northern bands may have half or more of their labour force engaged in traditional activities such as hunting, trapping, or agriculture, the percentage in Nova Scotia would be more on the order of 10 to 15 per cent. These activities would include such pursuits as handicraft production and trapping if they are an explicit component of making a living, but would leave them aside if they serve a recreational function. Other pursuits which might at first be considered traditional, such as fishing, involve in the contemporary Micmac quite modern innovations in oyster or trout farming.

A third divergence, which sharply constrains the applicability to the Micmac of development strategies suggested by the dependency framework, is the relatively small size and scattered population of the Micmac. The Navajo have a population of 160,000 people and a land area of 17 million acres, while the Dene lay claim to a large portion of the Northwest Territories. It makes some sense, in the context of these groups, to conceive of a self-reliance strategy based on local resources and the development of an integrated local economy with backward and forward linkages between industries. By way of contrast, the Micmac number a few thousand people and are scattered over many small communities in the province. While some progress can and should be made in encouraging reserve-based economic development, the prospects for these businesses serving an internal market and being integrated one with another in a meaningful way are quite slim.

Conclusion

Despite some areas of weakness and limited applicability, the models described in this section still have considerable appeal. In the Indian community, they represent an approach that is

congruent with their view of events since the arrival of the Europeans and one that is consistent with their deeply-felt aspirations for independence, the restoration of aboriginal rights, and the recognition of post-Confederation land claims. It is also an approach that avoids blaming the victim, although some would suggest that it goes too far in the other direction and overplays the role of Indians as passive and exploited people with little scope for action to determine their own fates.[153]

One of the strengths of the models under consideration is the historical thrust of the perspective: it indicates how present outcomes are the result not only of present dynamics but also of similar principles that operated in earlier historical periods. It also provides a comprehensive analysis of the situation, integrating economic, political, and social factors and suggesting their interrelationship.

Finally, the approach has been regarded as a significant advance over modernization theory because it links the process of development and underdevelopment. It recognizes, in other words, the importance of external relations and exchanges and thereby moves away from dualistic models that fail to recognize the interdependence of segments.

Marxist Interpretations

The analysis of racial and ethnic inequalities has not typically been a strong point of Marxist theory, in part because Marx and Engels had little to say about the issue in their classic writings. They were, in fact, of the opinion that racial, ethnic, and religious affiliations would recede in importance over time as class relations came to the forefront and as the growing polarization of class-based groups took precedence over other forms of affiliation.

It is not unfair to say that events have proved them wrong. The continuing importance of racial, ethnic, and religious ties has led to a resurgence of interest on the part of Marxist scholars in explaining the role of these factors in contemporary societies. While frequent departures from classical Marxism are necessary in order to address contemporary phenomena, there is nevertheless a consistent attempt to explain, for example, the rise and fall of racism or the economic underdevelopment of racial minorities through an analysis of the wider context of modes of production, capitalist development, and class relations. These factors, it is argued, determine the extent and forms that racism, racial identification, and underdevelopment will take in any given society.

We deal here only very briefly with Marxist interpretations, since their application to the situation of racial minorities in

North America tends to build on themes that have already been introduced earlier in this chapter.

Racial Minorities in the Industrial Labour Force

Some insights into the problem of underemployment and poverty on the part of racial minorities from a contemporary Marxist perspective can be derived from the work of Edna Bonacich, who analyzes the forces that have affected the black labour force in the United States in this century.[154] Bonacich argues that, in the early decades of this century, the black labour force was used by employers as a source of cheap and flexible labour and as a means of undermining white wage rates, often through strike-breaking. Blacks were sufficiently in demand that their unemployment rate was lower than that of whites during the period from 1910 to 1930. This is identified to be the source of much of the racial antagonism during that time between black and white workers.

With the advent of the New Deal legislation in the 1930s, however, the dynamics of this pattern were severely constrained. Legislation protected unions from the efforts of employer to undermine them. It also put obstacles in the way of sweatshops and other kinds of businesses that took advantage of cheap labour.

Employers, for their part, responded to the rising costs of labour in several ways. Some relocated overseas, initially in Europe and then in the Third World, in order to make use of cheaper foreign labour. Others relocated within the U.S., particularly in the south, or engaged in subcontracting or franchising operations as a means of avoiding unions and higher labour costs. Another strategy was to keep a cheap labour supply available by encouraging the legal and illegal immigration of foreign workers and resisting their inclusion under the umbrella of protective legislation. Finally, investments in labour-saving technology through automation were also pursued.

All of these developments had a damaging effect on black employment prospects, and by 1954 their unemployment rate had doubled that of the white labour force, a ratio that has remained relatively constant to the present. Blacks have resisted their assigned role as the secondary, marginal labour force in recent decades, and to some extent protective legislation has assisted them. The availability of welfare and unemployment insurance provides an alternative to exploitative forms of work and serves thereby to ease the pressure to undermine existing, protected jobs by limiting the size and availability of the "industrial reserve army". As a result, Bonacich argues, "unemployment tends to grow among the local 'underclass', pushing more and more of

them to depend upon welfare. This is the price the U.S. working class (including the sub-proletariat itself) pays for protecting labour standards, and it is a heavy and growing one."[155]

To sum up, from a Marxist perspective minority labour has historically served as a source of cheap labour and as a source of division in the working class. In recent decades, it has increasingly become a superfluous labour force as labour-saving technology and the migration of capital overseas has reduced the demand for labour and as unions and the state have provided some protection from, and alternatives to, minorities serving as a cheap and flexible labour force.

Marxist scholars have also turned their attention to dependency theory, and we turn to this briefly before reviewing the applicability of Marxist perspectives to the problems of Micmac underemployment.

Marxist Dependency Theory

While Marxist scholars writing in the mold of dependency theory have much in common with the theory outlined in an earlier section, there are also important differences. The common thread to the criticisms they level deals with divergences from basic Marxist principles. For example, the tendency in dependency theory to describe the basic units in spatial and geographic terms is seen to be problematic because these spatial metaphors (such as centres, peripheries, metropoles, and satellites) replace the dynamics of class as the starting point for explaining underdevelopment. From a Marxist standpoint, cities do not exploit their hinterland; rather, one needs to examine the dynamics of capital and class that ultimately lead to the underdevelopment of the hinterland and to inequalities that one can describe, but not account for, in spatial terms.

Applications of a Marxist dependency approach to explaining the underdevelopment of Canadian native people have recently begun to appear. Loxley[156] and Ron Bourgeault[157] describe the history of Indians in Western Canada in terms of their passage through discrete historical stages, each with its own mode of production and typical class structure. Prior to extensive European contact, primitive communism is said to have existed, a "mode of production governed by egalitarian social relations of production and the communal appropriation of labour."[158] With the development of the fur trade, the regional society was penetrated by foreign merchant capital, which acted to transform the Indian communal system of production into one that involved the production of goods, namely furs, for commodity exchange with the agents of mercantile capital, the fur traders.

It is argued that feudal relations of production were established, at least within the Hudson's Bay Company, although Bourgeault goes so far as to argue that these relations extended to the Indian fur producers as well, who, he suggests, were more like peasants than independent commodity producers. A wage labour market gradually developed, first within the fur trading companies and subsequently more widely in the regional society. As mercantile capital gave way to industrial capital in more recent times, a capitalist mode of production was clearly established, with corresponding class divisions.

The class structure of contemporary native communities in Northern Manitoba is described by Loxley as being comprised in the majority by a proletariat that is engaged in seasonal and short-term work. It also includes a large group of the permanently unemployed (paupers); a declining number of persons engaged in petty commodity production which is often combined with wage labour; a small petty bourgeoisie class which owns stores, garages, trucks, and the like; and, finally, a group of public sector employees. The latter are described as serving, in some respects, as the agents of neocolonialism in the native communities.[159] Much of the Indian labour force is seen to fit into the category of a "reserve army of labour", a low-wage labour force that is available when needed and that serves to keep down the cost of labour in the regional economy.[160]

In line with Marxist theory, the state is argued to play a supportive role with regard to the interests of capital. It does so by giving land monopolies to fur trading companies, separating native people from their means of production (the land) through the signing of treaties, dividing and ruling the native people, supporting multinationals who export staple products, and, in more recent decades, performing a more pronounced legitimizing role to buy off potential protest by dispensing welfare, health, education, and make-work projects.

For Northern Manitoba, Loxley recommends the implementation of a "convergent" development strategy similar to that proposed by Ruffing for the Navajo, as described above. Other strategies emerging from a Marxist perspective include that of natives capturing more political power, especially in the form of regaining or retaining ownership and control of the land, and the establishment of alliances with the non-Indian working class. Bourgeault writes, for example, that "the contradictions of the native lies with capital, not with the working class. The occurrence of mass unemployment in the North and in the cities of the South are the effects of capital, just as it is capital that is causing mass unemployment to occur within the previously

employed working class. The first step is to develop relationships between the native and greater working class over the root of their oppression."[161]

Application

Certainly, Micmac history can be analyzed from the standpoint of the changing modes of production and class relations as suggested by Bourgeault, and one can also subdivide the Micmac labour force along the lines suggested by Loxley. Tables 3.12, 3.17, 3.19, and 3.21 provided a quantitative estimate of the size of different social groupings in the Micmac context, defined more along class lines.

It is useful to recognize that the Micmac community is not an undifferentiated one, but that it also has class-based and other divisions. It is worth noting again, however, how small the private sector is in the context of the Micmac and how significant various forms of public employment are. The private sector bourgeoisie and proletariat so prominent in Marxist theory are little developed in Micmac communities, due to the very restricted number and size of Micmac private businesses; almost all Micmac businesses, in fact, are self-managed. The most important social division at the reserve level would appear to be between those who are employed on a regular basis by band councils, Indian organizations, and the like and those who are irregularly employed or completely unemployed. The former comprise some 31 per cent of the Micmac labour force and they administer welfare, training, housing, make-work, and other programs for the remainder of the population who are less fortunate in terms of employment.

In the contemporary context, it is also difficult to see the Micmac labour force playing a significant part in the industrial reserve army, moving into off-reserve jobs when a cheap, flexible labour force is needed and serving to depress the wages of the remaining work force. It is more accurate to describe the Micmac labour force as surplus to the non-Indian economy and not extensively involved with it. Our figures in Chapter 3 have indicated that only a small number of the Micmac labour force work off reserves, while large numbers remain on the reserves even if they are completely unemployed for long periods of time (see Tables 3.12, 3.22, and 3.23). Even if the level of demand for Indian labour were higher in Nova Scotia, there would be some question about the substitutability of Micmac labour, in view of its generally lower educational levels, its increasing lack of familiarity with urban industrial work patterns, and so on.

With regard to Bonacich's interpretation of the role of racial minorities in the industrial labour market, it is useful to recognize the class-related dynamics that affect management decisions on choices of technology, wage rates, the type and composition of the labour force used, and the location of production. The influence of such decisions can be traced through to their impact on the levels of employment and underemployment among Indians. There is a rough correlation to be noted between the rise and fall of Micmac employment in the industrial centres of New England and the cycle that Bonacich delineates for the black labour force in the United States. In the context of Nova Scotia, however, there is little evidence to indicate that Indians were part of a split labour market, labouring for low wages in jobs that would otherwise be held by whites and thereby serving to undermine the gains won by the white labour force. Their small numbers would make the Micmac of only limited utility from an employer's standpoint, and in fact only a few were able to break into the mainstream of the economy. It is worth noting that Indians were extensively involved in the building of a resource and industrial economy on the west coast of Canada during the period between 1858 and 1930. After a detailed examination of their employment patterns, however, Roff Knight also concludes that a split labour market interpretation does not stand up well. "Differential wage rates, exclusionary policies and super exploitation of Indian workers was not as universal as some believe...in many cases, it makes more sense to consider Indian workers as an elemental part of various industrial labour forces" rather than as part of a split labour market system.[162]

Bonacich's interpretation of more recent developments has, however, greater applicability to the experience of the Micmac in Nova Scotia. One can point to many instances of at least some types of employers in the region who search for low-wage labour in an internationally competitive environment and who automate or relocate in order to meet their needs for low labour costs. The resistance of the Micmac labour force to the more exploitative kinds of work, and their ability to do so as a result of the availability of welfare payments, unemployment insurance provisions, and the reserve system, can also be noted.

Conclusion

It is worth pointing out in conclusion that all of the theoretical models we have examined so far, including the Marxist interpretation, assume that the main actors are based in the private sector and that the state plays a somewhat secondary role

in the scheme of things, whether for good or for ill. Some two-thirds of the employed Micmac labour force, however, depends on direct government funding for the continuance of their jobs, and those not employed are critically dependent on governmental transfer payments. Thus, in the short term at least, governmental decisions on funding levels, on the distribution of such funds to welfare programs, make-work projects, and long-term economic development, and on education and training investments will be the most important determinants of the levels of poverty and underemployment among Indians.

Future theoretical work will need to make progress in developing a more satisfactory model of state action to complement the analysis of the private sector. The relationship between private and public sector actors needs to be clarified. It is not clear from Bonacich's interpretation, for example, why a bourgeoisie in search of a cheap and flexible labour force would permit the development of protective legislation and extensive welfare and unemployment insurance measures. It is also not clear whether the public sector basically responds to private initiatives and underwrites the cost of sustaining the casualties of the market economy or whether it acts with its own agenda in mind – for example, over an issue such as the decision to centralize the reserves in Nova Scotia, which may have been done for political or administrative reasons. What role do traditional groups, defined, for example, by criteria of race or ethnicity, play in the political system, and how do they interact with actors defined by the industrial system, such as capital and labour? These issues are beyond the scope of this manuscript, but work on them needs to be done if a comprehensive theory of poverty and underemployment among Indians is to emerge.[163]

5: POLICIES AND STRATEGIES FOR ACHIEVING ECONOMIC AND EMPLOYMENT DEVELOPMENT

Introduction

In Chapter 4, we described and assessed several major theoretical frameworks that address the question of poverty and underemployment among racial minorities in North America. Each theory emphasizes some variables and downplays the importance of others; each applies more to some situations than to others (such as participation in urban industrial labour markets as opposed to rural economic development), or to some historical periods better than to others. It is also fair to say that in many respects the frameworks are not specific enough in their formulations, while in other cases some specific hypotheses turn out not to be supported empirically.

In assessing various policy and strategy alternatives, we take a somewhat eclectic approach, drawing inspiration from the theoretical frameworks we have outlined and looking as much to historical experience and to the results of empirical research to determine whether or not particular approaches are feasible. In this sense, our approach is consistent with that of Indian political organizations. In seeking to achieve autonomous economic development for their reserve communities, they may accept much of the analysis and the strategy implied by dependency theory and the internal colonialism approach. At the same time, they may also pursue orthodox human capital strategies in encouraging students to stay in school so that they can gain the understanding and skills that will permit them to "get ahead" as individuals upon graduation. Our eclecticism is limited, however, by at least three considerations.

First, we admit to a small bias in favour of dual labour market/segmentation theory when it comes to interpreting the position of racial minorities in low-wage labour markets. While not as elegant or complete as other paradigms, and while the empirical evidence to support it is not conclusive, the framework does address itself specifically to the problems faced by racial

minorities and other ascriptively defined groups in contemporary labour markets.

Second, it would appear that the framework of dependency theory and internal colonialism comes closer than the others to addressing the main issues receiving attention in this decade, even if its causal analysis or the applicability of its policy derivatives can be debated. The context for the discussion of policy and strategy is one of seeking a path away from distorted, dependent development and toward a self-reliant base for Indian communities. After several decades of welfare, unemployment, make-work projects, and extensive government dependence, the question is how long-term economic development and full and rewarding employment can be achieved as part of the foundation of Indian self-government.[164] A strong push in this direction is coming from Indian organizations at the band, tribal, provincial, and national level, and so it should; it seems clear from the historical record that the "development" that was imposed from the outside according to the priorities of fur traders, settlers, missionaries, politicians, and civil servants has at times had devastating consequences for Indian communities.

Finally, Indian organizations and writers have suggested that the following parameter also guide discussions of policy and strategy. What is to be achieved is not economic and employment development at all costs or in isolation, to the detriment of Indian culture, community cohesion or the natural environment. Rather, the objective is one of achieving an alternative form of development that is holistic in nature, meets real human needs, and is congruent with Indian traditions.[165] The point of Indian self-government is not only to take over control of existing programs, but also to do things in a different, more satisfactory way. There is much that non-Indian society can learn from these initiatives.[166]

In the next section, we begin with a discussion of some issues of policy and strategy pertaining to Indian economic development in the context of Nova Scotia. The development of jobs through Indian-owned businesses represents only one way of expanding the employment base of Indian communities, however. In subsequent sections, other forms of employment development, both on and off of the reserve, are also considered.[167]

Economic Development

The experience of the Micmac with reserve-based business development has presented rather mixed results in the last decade or so. On the one hand, there have been some notable and highly visible failures, usually among the larger projects that

have been attempted. A large motel complex catering to the tourist trade, a series of oyster farms, and a sawmill are among those that have not survived. The reasons for the failures are not clear. Inadequate capitalization and operating funds, insufficient raw materials, competition, poor management, and outmoded equipment are some of the reasons given, but no doubt each instance has its own complex set of factors.

On the other hand, each reserve has a complement of self-employed persons and other entrepreneurs who have established businesses employing a small number of people. These small businesses usually have from 1 to 3 employees, with the exceptional case reaching as many as 15 or 20 persons. In 1980, some 150 Micmac were considered to be self-employed in the province, meaning that they owned and operated their own businesses. They were engaged in activities such as handicraft production and sales, construction, drywalling, the operation of grocery stores, auto-body shops, beauty salons, and restaurants, the cutting of pulpwood, fishing, farming, the growing and selling of Christmas trees, and fuel oil delivery.

Some have established and maintained their businesses through their own devices, and are proud of this accomplishment. Others have benefitted from the grants, loans, and other services provided by the Indian Economic Development Fund. In the decade from 1971 to 1981, this fund supported some 218 Micmac entrepreneurs at a cost of $8 million for loans and contributions. Of those assisted, 122 businesses, or 56 per cent, were still in existence in 1982, and the surviving businesses provided some 243 person-years of employment (see Table 5.1). Still other businesses have been established as LEAP projects through funding provided by the Canada Employment and Immigration Commission. Forms of ownership apart from private enterprise include cooperatives and band-owned ventures.

There is, then, a limited small-business base in the Micmac communities, and a wealth of ideas for new ventures is continuously being put forward.[168] What causes success and failure in the Micmac context, however, is still not clearly understood. There has perhaps been sufficient experience with both to warrant a systematic examination of Micmac businesses in order to establish the determining factors. However, while such a study would be instructive in illuminating certain issues, such as the level of managerial competence or the adequacy of support services provided by funding agencies, there are a number of larger issues that deserve to be considered here briefly.

Table 5.1
Businesses Supported by the Indian Economic Development Fund in Nova Scotia: 1971 to 1981

Type of Industry	Number Initiated	Number Current	Per Cent	Person-Years Created	Person-Years Current	Per Cent
Primary						
Agriculture	4	4	100	5	5	100
Forestry	25	19	76	68	49	72
Fishing	24	15	62	39	22	56
Trapping	14	14	100	8	6	75
Total Primary	67	52	78	120	82	68
Secondary						
Manufacturing	18	8	44	72	18	25
Tertiary						
Tourism	13	7	54	35	32	91
Other	120	55	46	217	111	46
Total Tertiary	133	62	47	252	143	57
Total	218	122	56	444	243	55

Source: D.P. MacDonald, "Overview of the Economic Development Situation and Achievements Affecting Native People in Nova Scotia," Intergovernmental Relations, Atlantic Region, Indian and Inuit Affairs, Department of Indian Affairs and Northern Development, 1982.

Approaches to Economic Development

It is often the case that economic development is approached from too narrow a perspective. One gets the sense from many government programs that success will result if technical judgements are correctly made – for example, about the extent of the market for a particular product or the most appropriate level of capitalization and debt ratio. These are, in fact, important issues which usually need to be determined by technical experts if any business venture is to succeed in the market place. In communities which have a self-sustaining economic base and in

which the basic approach to economic development has been established over many years – where further economic development is a question of introducing a little bit more of the same – these technical considerations are perhaps the only ones that need to be addressed.

In economically disadvantaged communities, however, and in most Indian communities in particular, a much broader range of issues is involved. Political decisions about Indian or government control of the process are often at issue, as are the goals of development, who the leading participants are to be (bands or private entrepreneurs), who is to have access to community resources, and how the benefits of economic development are to be distributed. As we discuss below, there are also questions of motivation, commitment, and discipline to be addressed. The building of new economic institutions, the education of their staff, and the provision of appropriate leadership are also often unresolved.

Under these circumstances, it is difficult to distinguish economic development from community development, and indeed it appears that the preference in the Indian community is to avoid making such artificial distinctions. Jan Loubser summarizes the socioeconomic development strategy prepared by the National Indian Brotherhood (1976), as follows:

> The central thrust of *The Strategy* is that Indian society should be strengthened through the development of Indian economies within Indian cultural frameworks under the control of Indian political institutions anchored in and drawing their legitimacy from local Indian communities. It emphasizes the interconnectedness of all aspects of social reality and insists that the holistic principle that politics, economics, culture and other sectors not be treated as disconnected things but as parts of a whole, should guide all further development of the Indian people, as well as the reform of existing government agencies and programmes relating to them. It should also be enshrined in the design and permeate the functioning of the new institutions that are created in the implementation of *The Strategy*.[169]

A second issue on which government policies are vulnerable is the idea that development can be brought about by external agencies, that it can be provided for Indian communities or imposed on them. While goods and services can be provided by

external sources, it is rather doubtful that real development can occur without initiative, leadership, and voluntary participation from within the community. Most definitions of development, in fact, take the desire for self-determination, self-reliance, participation in decision-making, and a sense of purpose in life and work as being the essence of development, and such definitions go well beyond conceptions that focus on the meeting of material needs or increases in per capita income.

An examination of the budget of the Department of Indian Affairs reveals that the department's approach to development has been to supply goods and services (see Table 5.2). Almost all of the budget is devoted to the provision of welfare, housing, education, and similar services. Much of these expenditures are

Table 5.2
Gross Expenditures by Activity During 1982/83; Atlantic Region, Department of Indian and Northern Affairs

Item	Percentage Allocation
Program administration	4
Reserves and trusts	12
Education	29
Economic development	3
Social services	32
Community infrastructure	14
Band government	6
Total	100

Budget: $57,849,200.

Source: *1982-1983 Annual Report* (Ottawa: Indian and Northern Affairs Canada, 1983), p. 25.

remedial in nature, and various estimates, including the department's own, place the proportion of the federal budget going to developmental or preventative activities at only 6 to 14 per cent.[170] While it can certainly be argued that education,

housing, and a healthy population are important adjuncts to the development of communities, they do not in themselves constitute real development in the sense used above. They are, in fact, rather hollow achievements if the graduates of the educational system are not able to find jobs when they return to their communities or if the funds to maintain the housing that is built can only come from further public subsidies. There is, perhaps, a pattern of circular causation in effect in which the lack of meaningful internally generated development at the reserve level affects the level of motivation and achievement in areas such as education or housing.

With the urging of Indian organizations, parliamentary committees, and other groups, the case has been made to the department, and more broadly to the federal government, that a major shift in funding priorities needs to take place. A step in that direction is the establishment of the $345 million Native Economic Development Fund being administered through the Ministry of State for Small Business. Many would argue, however, that more significant steps need to be taken, with respect to both funding and to putting the structures for Indian self-government in place.

We have argued here that development needs to come from within and that it involves a good deal more than the provision of goods and services and the answering of technical questions. Real development is very difficult to achieve, and one of the most difficult aspects of it is that of identifying an economic development project, or series of projects, that strike a responsive chord in the community and is capable of eliciting enthusiastic involvement on the part of an individual, a small group, or, indeed, the community as a whole. We can point to examples in the past where this has been the case for the Micmac – the support for handicraft production, the success that has been achieved by the drywall tradesmen, and the activities of the Bear River porpoise hunters at the turn of the century. One can see it, too, in certain more social activities – the softball and hockey tournaments that are organized with considerable volunteer labour, the community bingo games, or the religious pilgrimages undertaken each year by the older people to Ste. Anne de Beaupré.

Farther afield, Vine Deloria describes the remarkable achievements of the Lummi Indians on the American west coast, who have in the last decade managed to turn their whole tribal society from one of welfare dependency to self-sufficiency.[171] The nucleus of the development, which now has ramifications for all areas of community life, is an aquaculture project through which

various species of oysters and fish are cultivated and marketed on a national basis. Deloria cites a number of factors as being instrumental in the success of the Lummis. First, they tenaciously retained control of 5,000 acres of tidal lands that had been threatened by outside interests since the turn of the century. Second, Deloria feels it was important that the government never had the time, the resources, or the understanding to provide constant supervision over the Lummis: "neglect may be a valid concept in the social development of communities". Third, he argues that lasting and genuine development projects can be implemented in Indian communities when they are rooted in the cultural and historical tradition of the tribe and when they correspond to what people remember as being the best of their community life. This should not be taken as an argument for returning to the past and adopting traditional methods, for in fact the Lummis use ultramodern techniques while still building on the strengths and traditions of their people:

> The programs that have been proposed by the federal government – designed to turn the Lummi into farmers, to make wage earners out of them, to relocate them in the cities, even to make craftsmen out of them – were all activities that did not speak to the Lummi community in terms of its deepest strivings: to be itself. The aquaculture project related directly to Lummi traditions. It involved work at which Lummi people were expert. It reaffirmed their dignity, by once again allowing them to become master fishermen of the Northwest.[172]

In the case of the Lummi, the aquaculture project caught the imagination of virtually the entire community. Once it became established, it also had a positive effect on most other aspects of community life: spin-off industries are being established; advanced training is being provided in fields such as marine biology, administration, and clerical work; a reservation-wide housing program has been undertaken by a Lummi construction company; new institutions for economic development, research, and education have been established; and various social programs have been undertaken. They are demonstrable derivatives from the aquaculture project, rather than its prerequisites, however, and in that sense community development has followed closely from economic development.

In view of the fishing traditions of the Micmac people and their access to fishing grounds, one would have thought that the oyster farming projects in Cape Breton would have met at least two of the conditions specified by Deloria. The lack of success of these projects underlines the need for a thorough evaluation of these and other ventures. The results of such an evaluation may well suggest that other factors were lacking, such as a lack of local control and what we would consider to be the more technical requirements for insuring the economic viability of the project – access to sufficient capital, management expertise, and so forth. There is some evidence that these factors were significant. Indian spokesmen say that the projects began without significant planning and substantial investment; rather, it was a case of taking advantage of existing short-term funding in an attempt to create employment for reserve residents. The terms of the available funding programs precluded a longer-term approach. Oyster farming, however, requires long-term planning and substantial capital investments. Scientists had not resolved questions surrounding the speed of oyster growth in relatively cold water or the matter of harvesting the oysters without damaging them. Disease also became a problem in the later stages. The Lummi, on the other hand, were fortunate in having outstanding external technical advice and responsive funding programs available outside of the Bureau of Indian Affairs.

Social scientists have not made a lot of progress in identifying the conditions that generate the kind of collective community response that is exemplified by the Lummi. Sometimes, the presence of an external threat appears to be a sufficient cause, and this was in fact an element in the Lummi case when their tidal lands were threatened by the building of a magnesium oxide reduction plant. They had quickly to develop an alternative plan for the area, and the aquaculture project was the result. In other cases, a sudden reduction in status, wealth, or centrality in information networks is seen as the causal agent behind movements involving community solidarity.[173] The causal variables are not well understood, however, and in their absence the origins of community movements leading to development remain somewhat mysterious. Further, despite the success of the Lummi Indians and other dramatic examples, it may be illusory to search for the one big community-wide project, rather than building a series of small but successful ventures that may in time gain their own momentum. The environment in Nova Scotia, both in Micmac and non-Indian communities, has not been hospitable towards relatively large-scale projects in recent years.

Within the Micmac community, there are many ideas for projects that could be successful. Blueberry farming, gaspereaux and eel fishing, Christmas tree harvesting and wreath-making, potash mining, tourism-related projects, and the provision of firewood are some of the ideas that are being discussed and, in some cases, implemented. There is also an interest in pursuing projects on a cooperative basis across reserves, such as the establishment of a Micmac construction company that would organize the building and repair of houses on a province-wide basis. While the internal Micmac consumer market is much too small to sustain most businesses, there is room for inter-reserve cooperation in production.

The Cultural Factor

Victor O'Connell has pointed to the difficulty of obtaining a definitive statement of the Department of Indian Affairs' aims, principles, and priorities.[174] The establishment of the Native Economic Development Fund (NEDF) in 1983/84, however, brought to a head the debate about differing approaches to development both within the Department of Indian Affairs and more broadly in the federal government. After protracted interdepartmental rivalry during which administrative responsibility for the new fund was sought, the decision to locate it in a division of the Department of Regional Industrial Expansion represents a deliberate attempt to take a more business-like approach toward Indian economic development. There is a renewed emphasis on the economic viability of businesses and institutions, on more thorough assessments of projects prior to funding, and on not sustaining businesses that are economically marginal but serve social goals. The stress on economic viability, as well as the NEDF's intention to establish or strengthen financial and developmental institutions that are controlled by Indians, have been congruent with Indian aspirations for self-government and for achieving a self-reliant economic base.

Somewhat more problematic is the ideologically conservative thrust that accompanies NEDF programs, although here too there are divergent signals and considerable internal debate. In keeping with the climate of the 1980s, however, there is a strong tendency within NEDF to see the development of Indian entrepreneurs, supported by native financial institutions, as providing the engine for growth that will lead to the development of reserve and non-status communities. The stress is on private entrepreneurship, on profit maximization, and on

keeping the public sector (including Indian politicians) out of business decisions.

The approach is reminiscent of the many historic attempts to mold Indian people into the image of white entrepreneurship by attempting to encourage individual private property ownership at the expense of communal reserve lands and resources. Many Indian spokesmen would argue that the private entrepreneurial profit maximization model runs counter to native values and traditions, which are more communal than individualistic. They would argue that the community as a whole should be developed through community-wide mechanisms, thereby providing the context for individual activity; they suggest that the stress in native communities is more on sharing than on the accumulation of individual wealth, more on cooperation than competition.

The empirical basis for these and other value differences remains to be established in the Micmac case, and this is another area where some well-designed research would be valuable. If these valuable differences are real, they would have an important bearing on economic development strategy. One would want to leave room, for example, for supporting individuals who are not interested in profit maximization and business expansion, but who simply want to make their own way, at their own pace, performing tasks that they want to perform. Support for projects that maximize jobs, rather than those that, on the basis of heavy capital investments, might maximize income and profits, may also be preferred in the context of the reserve.[175] A business built around a traditional family (or clan) grouping may have a better chance of success than one in which family ties are deemed to be irrelevant.

Apart from cultural considerations, there are also practical problems with an approach to development that is centered on individual entrepreneurs. In Micmac communities, such entrepreneurs are small in number and limited in experience. There is also the question of access to communally held resources to be considered. While few would deny a role to private entrepreneurship, its proper role will need to be defined through political decisions made at the band level. Ruffing and Deloria suggest that the exploitation of tribal or band-held resources should be organized through enterprises that are owned and controlled by the community and that private enterprise can more appropriately play a role in the commercial sector, where any profits would be generated as a result of the individual's own efforts.[176] Private enterprise could also be encouraged in

manufacturing if a fair price was paid for access to communally-owned resources.

In conclusion, we would resist the notion that is sometimes advanced that taking cultural factors into account is incompatible with sound economic decision-making. We would argue that successful economic development measures really need to meet two tests: they certainly need to be viable on technical economic grounds, but they also need to be chosen and managed in such a way that they elicit the interest and commitment of their Indian participants. Measures that reflect their values and expectations in matters such as purpose, ownership, leadership, work schedule, environment, and decision-making, among others, would make an important contribution toward meeting the second test.

Indian Control

It follows from the foregoing that control over economic development and its related institutions should be lodged firmly in Indian hands. Not only would this be consistent with the demands of self-determination, but it is also likely that, on a pragmatic level, it would change the nature of the decisions made about economic development. Such decisions would more likely reflect Indian priorities in terms of substance, more reliance would be placed on the use of Indian personnel as managers and consultants, and there is the prospect that autonomous Indian institutions could move more quickly than the present hierarchy of agencies.

To bring about Indian control over economic development will not be an easy task because it would require that Indian governments and institutions be given control over matters such as land and resources, capital, labour, organization, planning, and technology.[177] It would require legislative changes in the Indian Act, which presently severely restricts the authority of band councils over matters of economic importance.

In Nova Scotia, an important step in the direction of Indian control over economic development was taken recently when a province-wide Indian economic development organization, called the Ulnooweg Development Group Inc., was established.[178] The organization is intended to be supportive of new and existing Indian economic development projects, whether they are owned individually, cooperatively, or by the band. The organization will provide capital assistance, research capability, and consulting expertise to Micmac businesses. While the Micmac development corporation will still need to rely in large measure on the programs of existing departments to fund particular projects, it

can help to support businesses in their early stages, and serve as a bridging mechanism to those departments.

Other Barriers to Economic Development

There are a number of other barriers to Indian economic development which represent very real and difficult obstacles that need to be overcome.

First, the present natural resource base of Micmac communities is not extensive. The reserves are small in acreage and much of the land that is available does not appear to be rich in resources, although a good deal of work still needs to be undertaken to document the resources that do exist. While economic development can, of course, occur without extensive natural resources, Micmac traditions and recent employment patterns both indicate that the natural resource sector, particularly in forestry and fishing, represent a preferred area of activity for a good portion of the Micmac labour force. It is also worth noting that the natural-resource-based projects funded by the Department of Indian Affairs have a much higher success rate than those in the manufacturing or service sectors (see Table 5.1).

There are, perhaps, three avenues for expanding the resource base of Micmac communities. The Union of Nova Scotia Indians has for a numbers of years been advancing its case for the recognition of aboriginal title, based on the claim that native title to their traditional lands has never been extinguished by treaty or other means. The case is moving slowly through the legal process at the present time and it will be several more years before it is decided. If successful, however, an eventual settlement would provide the basis for a significant expansion of the resource base, both physical and monetary, of Micmac communities. Individual bands are also pursuing specific land claims resulting from illegal surrenders or incursions of reserve lands, and the Wagmatcook band successfully completed its negotiations recently. Apart from aboriginal title and land claim settlements, negotiations for Indian access to crown lands also appear to be a possibility. Finally, the pooling of resources through the encouragement of economic development projects that link a number of reserves has been broached as part of the Union of Nova Scotia Indians' economic development strategy.[179]

A second major limitation to Indian economic development is the matter of access to capital funds. Existing Micmac businesses are, on the whole, too small and marginal to generate significant amounts of capital internally. Access to banks and other lending institutions is severely restricted by provisions of

the Indian Act which do not allow reserve lands and properties to be used as collateral for loans. Thus, more reliance than would otherwise be the case has been placed on the federal government for capital funds. As we have seen, the spending priorities of Indian Affairs have left very little money to support economic development, and in fact the tendency has been to draw funds away from what is regarded as a discretionary area in order to support rising costs in areas of statutory responsibility, such as education and welfare. The result is that the division responsible for economic development in the Maritime Region finds itself with a backlog of 40 to 50 applications per year which cannot be processed due to a lack of funds.[180] The identification of future opportunities has also been hampered. While work was begun in the early 1970s in Nova Scotia on opportunity analysis, resource analysis, and feasibility and market studies, these initiatives have all but stopped.[181]

The need, therefore, for additional capital funding is clear. If it can be attracted from the new Native Economic Development Fund, the problem will be eased somewhat, but it will still be necessary to rely on existing programs for the bulk of project funding.

A final area of concern is that of enhancing the capacity of Micmac entrepreneurs and economic development staff in order to generate, operate, and support business ventures. At recent meetings of Micmac entrepreneurs, the need for training in areas such as accounting, marketing, financial management, and business development were underlined. The need for economic development staff and board members from the band to receive further training is also evident. While both Micmac young people and some adults have in recent years been obtaining university-level education, the areas of study have usually been in the social sciences and related professions, such as teaching and social work. The number of those undertaking studies in areas such as forestry, biology, oceanography, economics, and business administration have been more limited, although a nucleus of expertise does exist.

The Lummi example referred to earlier illustrates, however, the desirability of linking the training to the involvement of the trainees in actual business ventures, rather than beginning with training or educational programs based on the vague assumption that the knowledge gained will be useful at some point down the road. The same can be said for the linkage of educational programs with concrete steps toward the assumption of greater Indian control of economic development; both steps need to be taken together if a smooth transition is to occur.

Employment Development

Apart from the creation of Indian-owned businesses, a number of other strategies are being, or can be, pursued with the objective of improving the employment base of Micmac communities. While the focus of these strategies is on obtaining jobs, the type of employment to be made available is also an important consideration. Part of the challenge is to find ways of breaking away not only from unemployment, which is prevalent enough, but also from cyclical patterns of low-wage, unstable work combined with periods of unemployment insurance, welfare, training, upgrading, and so on.

Government Manpower Policy

It is rather doubtful that existing policies are adequate to the task set out above. Before we indicate our main reservations, it is perhaps worthwhile to summarize some of the main policies related to the labour force.

In broad terms, the main categories of policies are those related to job referral and job placement (including geographic-mobility grants), training (including upgrading, job readiness, life skills, and vocational training), counselling, and direct job creation. For the native community, the federal government also funds outreach programs, whereby the regular services of Canada Manpower Centres are extended to reserve communities and some native employment counsellors.[182] As with other disadvantaged groups, native people are also to benefit from affirmative action programs and a new program, called Access, which is designed to subsidize employers to hire and train members of certain target groups. While it would seem that there is a policy to cover any eventuality, it is the main thrust of government policy that concerns us here, and in our view that thrust has the following shortcomings.

First, and not surprisingly, existing policies by and large reflect orthodox labour market presumptions. The main native policy document of Employment and Immigration Canada, for example, seems to assume the existence of an open and competitive labour market.[183] Almost all of the barriers to native employment that are mentioned have to do with the supply side of the market. The alleged deficiencies of the native labour force that need to be overcome if a reasonable level of employment is to be achieved are listed – information gaps, inexperience, low educational levels, language deficiencies, poor health, and the fear of cultural genocide, to name a few. Stewart Clatworthy, in a

major study of the employment problems facing urban natives in Winnipeg, suggests the following:

> ...to this point in time most employment related programming developed for urban natives has been limited to life skills and job readiness courses and the provision of short-term employment/training experiences. On the surface, these programs appear to be based on the assumptions that urban native people, because of their recent migration to the city, are unfamiliar with the demands of urban life, possess personal or cultural traits which conflict with mainstream value systems and lack sufficient knowledge of the expectations of employers and the requirements of the labour market. From this perspective, the difficulties native people experience in the labour market become one dimension of the more general problem of "adjusting" to an urban setting.[184]

While such an orthodox approach would be acceptable if it worked, the problem is that it does not appear to work very well because the barriers to native employment are much more substantial than presumed here and have as much to do with the demand side of the labour market – factors such as insufficient jobs, access barriers to employment, and discrimination – as they do with the real and alleged shortcomings of the Indian labour force. To continue with the Winnipeg example by way of illustration, Clatworthy's data suggests that length of urban residence (that is, the opportunity to acculturate and become familiar with urban labour markets) is not at all related to improvements in employment status, whether in rate of unemployment, employment stability, or occupational improvements. He concludes that the marginal status of the native labour force has become firmly established over time and that existing policies are insufficient to assist native people in breaking out of largely negative employment experiences.[185]

We would suggest, then, that a second problem with current policies is that the intervention they envisage in the labour market is relatively weak and short-term. Federal job creation programs have provided the clearest illustration of short-term approaches, and the data presented in earlier chapters makes clear how much of the Micmac labour force has become dependent on short-term make-work projects. Attempts at intervention have been relatively weak in the sense that they have assumed that by providing information about jobs, or giving some counselling, or

assisting in the preparation of a résumé, or providing a course of several weeks' duration, the Indian job-seeker would be equipped with the resources to penetrate the barriers of the labour market. Our data has cast some doubt on the efficacy of short-term training programs, a subject to which we will return later. Like Clatworthy, we have been more impressed with the stability of native employment patterns over time, especially for those with marginal jobs or the unemployed, than with the change in those patterns. (See, for example, Table 4.6.) Others have reached similar conclusions. Jeremy Hull, for example, interviewed some 182 native women in an urban Canadian labour market and found most of those who were working to be locked into jobs that offer low pay and few opportunities for advancement and require low levels of skill. He suggests that "if left to its own devices, the labour market will automatically channel the majority of native women into insecure or low level jobs," and he is critical of the capacity of existing manpower and training programs to change the situation.[186]

A third shortcoming, in our view, is the restricted scope of current policies. For example, federal affirmative action programs have been limited to federal government positions. Job vacancy information posted with Canada Manpower Centres encompasses only 10 to 20 per cent of all vacancies, with information spread by informal means, especially by friends and relatives and by direct contact made by employers being a much more important source of such information.

To these weaknesses in the design of policies can be added some problems in their implementation. For the more meaningful vocational training programs, for example, the waiting list for entry can require a person to wait several years before an opening is available. Neither the federal nor the more broadly based provincial affirmative action programs seem in practice to yield very many positions for native people. Even when new employment opportunities open up, such as in the offshore oil and gas field off the coast of the province, there are indications that the native community is again the last to benefit.[187]

The picture is not entirely negative, of course, in that a number of manpower programs and functions carried out by CEIC and the Department of Indian Affairs are no doubt well done and useful. As mentioned above, there are also indications of policy shifts that are leading to more long-term and, we hope, more effective programs – Access, LEAD, and the Native Economic Development Fund as an alternative to short-term job

creation, and the prospect of mandatory affirmative action, are all steps in the right direction.[188]

Employment Development on the Reserves

Apart from reserve-based economic development, there are a number of other strategies that can be pursued to expand the employment base in Micmac communities. Our data on occupational shifts between 1975 and 1980 indicated, for example, that the progressive take-over by bands and related organizations of existing programs or services from the government or from non-Indian agencies can be a major and positive source of employment growth on the reserves. The list of programs taken over at the band level, with varying degrees of autonomy, include band management, welfare services, policing, some health-related and educational services, and a degree of economic development. Some new services have also been funded, such as alcohol and drug counselling, cultural studies, and information services, while other programs, such as family and children's services, are in the process of being taken over.

It should be recognized, however, that all of the programs referred to here are dependent on government funding, and their assumption by the bands does not, in itself, signify a move toward a more self-reliant economic base. Nevertheless, these programs have provided jobs at the band level, which in many cases have been relatively steady, have offered fairly decent salaries, and have had some prospects of career mobility. Those who were hired as teacher's aides several years ago, for example, were in many cases able to continue their training and have become fully qualified teachers. Over time, the community health workers will, no doubt, develop careers in the health field, and a social work degree program for Micmac band staff has recently begun at Dalhousie University in Halifax. The social counsellors, the band managers, the economic development workers, and others are also interested in making the transition to more qualified and professional status through specially designed degree and certificate programs.

Other occupational groupings at the reserve level may also be able to collectively transform their jobs through strategies that may involve further education and training, or certification and licensing, or unionization. Those who cut wood for the pulp companies, for example, might wish to organize under the Pulpwood Marketing Board in order to improve and regularize their earnings. The many construction workers could be encouraged to obtain their "papers" as fully qualified carpenters or electricians, while fishermen could negotiate with the

Department of Fisheries to be included for the first time in licensing and quota provisions.[189] In addition to taking over programs, then, a second set of strategies involves the transformation of existing occupations, with the result that the jobs, if the transition is successful, would become more stable, more highly paid, would offer more extensive fringe benefits, and so forth. While the strategy is being successfully applied with respect to the public sector jobs mentioned above, it is important that it also be pursued with more disadvantaged occupational groupings. One would want to avoid a dualistic situation emerging at the reserve level whereby an elite group of public sector employees administers programs on behalf of the majority of the population which remains unemployed or underemployed.

Employment at the reserve level can also be expanded, of course, by attempting to attract non-Indian industries onto the reserves or to locations near them. The Bata Shoe Company, for example, has a plant operating on a Mohawk reserve in Ontario, and Paul Deprez and Glen Sigurdson describe other experiments along these lines that are taking place further west.[190] While we have not carried out an extensive review of this kind of strategy, there is some reason to be skeptical about its degree of success. Whether industries could be attracted is debatable, for example, in view of the relatively small size and dispersed location of the Micmac labour force and in view of the competition from other municipal and provincial jurisdictions. Such industries would be attracted primarily by the existence of a plentiful supply of cheap labour and would not likely be tied to the area for reasons of markets or resource availabilities. Thus, these firms, usually called "footloose" industries, may leave the area when attempts are made to unionize or improve minimum wage conditions, relocating to another part of the world where labour conditions are more favourable. Certainly Nova Scotia has seen its share of such operations, and Ruffing reports similar results for the Navajo.[191]

There are limits, obviously, to what can be done at the reserve level in terms of employment expansion. A large majority of reserve residents, however, seem to prefer working on the reserve and thus everything possible should be done to expand the employment base there, whether through economic development or other strategies.[192]

Off-Reserve Employment

There is considerable ambivalence in the Indian community about pursuing an off-reserve employment strategy; certainly the priority and main area of interest of the leadership lies in the

area of reserve-based economic and employment development. This is the case because this area was neglected for so many years; it is a reaction to the decades when the resource base of Indian communities was lost, when there was a major thrust to assimilate and enfranchise, and when it appeared that off-reserve employment was the only option available. Off-reserve employment means becoming a part of non-Indian institutions and, often, joining an industrial system, many of whose features are rejected by Indian people. It also implies the pursuit of individual mobility as opposed to the development of native communities and institutions.

There are a number of equally valid reasons why an off-reserve employment strategy needs to be considered, however. First, the rate of growth in the Micmac labour force is so rapid, as we have seen, that a large number of jobs will need to be found in short order if the unemployment rate (especially that of young people) is to be brought down to more reasonable levels. Second, there are limits to the extent of employment expansion that can be achieved on the reserves, even with a successful strategy for economic development. Finally, as with any group of people, there is considerable diversity within the Indian community; some people will not be satisfied to live all their lives on a small reserve, but will seek to make their way in the world. The literature available on off-reserve mobility suggests that the primary motive for moving off reserve is to search for employment opportunities. However, other factors, such as the desire to escape from conflict situations or to be with friends and relatives who have already migrated, are also important.

It appears likely, then, that large numbers of Micmac people will continue to move off reserve as they have done in the past. The employment environment has changed from previous decades, however, as will be discussed below, and there are a number of substantial barriers to be overcome if satisfactory employment is to be found in off-reserve locations. This would suggest the need for a strategy, but one that is carried out in such a way that it does not lead to the loss of Indian identity, insofar as possible. It should also be noted that off- and on-reserve employment strategies can be organized in such a way that they are mutually compatible. Those working off-reserve can obtain the skills and experience that will in some cases be needed in reserve-based projects, in the same way that many of those who have at one time migrated to work in New England or joined the armed forces have returned to their home communities and played an important role there. Both strategies need to be

pursued so that the range of choices for individuals and families is expanded.

In assessing the barriers to off-reserve employment, there are perhaps seven factors to be discussed, although a much longer list could readily be produced. In the remainder of this section, we review each factor briefly and discuss a number of strategies for surmounting them.

Competition for Available Jobs: When Micmac people moved off reserve in large numbers in the past, it was clear that they were moving to areas of employment expansion, sometimes within Nova Scotia but more consistently to New England. Such areas of expansion are now much more difficult to find and, as the figures on the lack of Micmac employment in offshore oil and gas activities indicate, access to such jobs is more difficult to obtain. The competition for jobs is much greater when the unemployment rate of the Nova Scotia labour force as a whole is in the 10 to 14 per cent range, as it has been for the last several years.[193]

In terms of longer-range considerations, the number of jobs that will be available in the regional economy in the future is not yet clear as rapid technological change is drastically transforming the structure of the labour market. There is reason to be concerned about whether the jobs that are being displaced by automation, robotics, and microprocessors will in turn be replaced by new opportunities made possible by the expansion of "high technology". A good deal will depend on whether the level of innovation in these fields will be sufficient to create domestic employment opportunities or whether there is reliance, to an even greater extent than at present, on imported technology. For both the Micmac and the Nova Scotia labour force as a whole, however, one can expect to see a decline in the rate of growth of the labour force as both populations mature, although the reduction in the rate of growth will occur later and more slowly in the case of the Micmac.

Apart from the number of jobs that will be available, labour market forecasters have made predictions about the types of jobs that will be available in increasing or decreasing proportion. For example, it is anticipated that low-skill jobs in manufacturing will be hard hit by technological change, as will the demand for clerical and other office workers. At the same time, there will be a shortage of labour in more highly skilled jobs such as those in engineering, computer science, and machining, to name just a few. In terms of industries, it is expected that the goods-producing sector, including construction, will grow more rapidly in this decade, while the rate of increase in the number of

personnel in health, education, public administration, and other service industries will decline. In regional terms, the rate of employment growth may not be as great in Eastern Canada as it is expected to be in the West.[194]

It seems unlikely that the trends of the last several decades, which have seen the Micmac labour force increasingly defined as being surplus to the needs of the regional economy, will soon be reversed by a labour market left to its own devices. If there is to be a more equitable allocation of available jobs, it is important that an active strategy be undertaken to create access to employment positions for those Micmac wanting to work off-reserve. The jobs are significant not only for their own sake, in terms of providing a regular paycheck, fringe benefits, and the self-respect that goes with employment, but also because they provide an important avenue for adapting to, and participating in, the changes taking place in the economy and the wider society. As Thurow and others have pointed out, employment brings with it the opportunity, and often the obligation, to participate in training and upgrading, as well as the knowledge and the contacts that make these adaptations possible.[195] It is very difficult to obtain the knowledge, opportunities, and motivation that are required for a successful adaptation to a rapidly changing situation in isolation from active involvement in the work world.

To open up off-reserve employment and training positions, it is worth considering the establishment of native-run employment offices in the two metropolitan areas of Nova Scotia. The small staff of each office would negotiate actively with major employers so that a certain number of upcoming vacancies are made available to Micmac people, on the argument that the labour force of the companies is not representative of the provincial population. If vacancies cannot be made available in the short term, or if qualified Micmac applicants cannot be found, then the idea would be to negotiate for on-the-job training opportunities or for institutional training that is nevertheless directly connected to a particular job. Existing government programs, such as Access and other industrial training programs which offer a wage subsidy, would be very useful supplements to this approach, but the point is that access to the opportunities needs to be actively created before the other programs can be usefully brought into play.

As a supplement to this strategy, one would need to have an accurate and up-to-date computerized inventory of the Micmac labour force, and it would also be important to ensure that various transitional and supportive services, such as child care,

transportation, and start-up grants for clothing and equipment, were available.[196]

Steps also need to be taken to ensure that the present and the potential Micmac labour force receive good information about long-range employment trends. At the reserve level, the source of such information would be the current Outreach workers and the education counsellors, who need to be supported in their efforts to obtain further training for themselves and to have access to the best labour market forecasts that are available.

Artificial Access Restrictions: We have seen in the historical section that, when Micmac people have worked in the non-Indian economy, they have done so on the fringes of it – in seasonal and casual work, in small establishments, and in low-wage jobs. While off-reserve public sector employment has improved the situation in recent years, our figures still indicate that the Micmac labour force is by and large not protected by the various job-sheltering provisions that serve to stabilize and protect employment in various occupations and industries. Table 4.3, for example, indicated the very small percentage of the Micmac labour force that is protected by labour union membership; casual observation suggests that a similar pattern is found with respect to licensing, quotas, marketing boards, certification, internal preference, and various other regulatory features of structured labour markets.

A component of an effective employment strategy would be, then, to obtain access for the Micmac labour force to jobs that have previously been closed to it because of artificial access restrictions. As with employers, the most direct approach would be to negotiate directly with those responsible for the sheltering provisions, as the Union of Nova Scotia Indians has begun to do with the provincial Department of Labour. Here the objective is to obtain certification for the many Micmac tradesmen in the province by arranging for an examination and testing system through which they can demonstrate their competence and then proceed either directly to certification or to further training.

Discrimination: As a barrier to off-reserve employment, discrimination is a difficult factor to quantify and to deal with in strategic terms. It does seem to be an important factor, however. The more blatant cases are dealt with by the Nova Scotia Human Rights Commission, but apart from these, discriminatory actions based on prejudices and stereotypes about Indian workers are either more subtly carried out or are not brought to the attention of the commission by the victims.

In other jurisdictions, some quantitative information is available. The native women surveyed by Hull in Winnipeg, for example, gave discrimination as one of the four most frequently mentioned barriers to employment in the urban labour market.[197] Other studies identify communities adjacent to reserves as being the most prejudiced against native people, and they suggest that it is particularly difficult for Indians to find jobs with small businesses in the service and trade sectors, whether because of discrimination or because such firms tend to use informal means and personal connections in recruiting for any vacancies.[196]

Apart from cases that can be prosecuted under the terms of human rights legislation and the inroads that can be made through direct negotiations with major employers, as discussed earlier, there may not be much that can be done about this particular barrier. Some of the research literature suggests that prejudicial attitudes and discriminatory behaviour change most readily as a result of regular, noncompetitive contact, leading to the gradual development of mutual respect, which arises when people work, play, or communicate on an equal footing with each other (a phenomenon termed equal status contact). This would suggest that the reduction of discriminatory barriers would be a result of the employment of native people, rather than a prerequisite to such employment.

Lack of Education and Training: The relationship between training, education, and employment is clearly a very complicated one and not at all as straightforward as human capital theory would have one believe. While all theoretical frameworks agree that education and training are important variables, they differ in the role they ascribe to them – for example, whether years of education is related to employment because it increases cognitive capacity and thereby productivity or whether its importance lies in imparting credentials or in socializing individuals to appropriate attitudes and behaviours. Further education may well be, in part, a consequence of employment, or training programs may be used as an alternative form of social assistance rather than as a means of learning employment-related skills. Dual labour market theory, in particular, suggests that persons caught in secondary labour markets will fail to realize significant returns from investments in further education or training because their employment does not require or reward it.

In view of the above, it is perhaps not surprising that the research literature relating levels of education of Indian respondents to their employment status, while controlling for

other variables, presents a very mixed picture. Some studies do not reveal a significant relationship between the level of education and unemployment for an Indian sample.[199] A number of other studies suggest there is little relationship until one has completed high school; there is a threshold to be reached, beyond which one's level of education improves one's employment prospects, but not before.[200] However, Clatworthy and Chun-Yan Kuo generally find positive relationships, although particular subgroups diverge from the pattern.[201] In Clatworthy's study, for example, the results show that higher levels of education (and training) substantially *reduce* the probability of employment for female status Indians.

Turning to studies of employment following the completion of vocational training (as opposed to general education), one finds the same mix of results as were found in studies of the level of education. Some studies fail to find a significant relationship or find only a modest one, while other results are basically positive with some qualifications.[202] The literature suggests that the type of training to be undertaken is an important variable in the equation. Results may be positive only for substantial, high-level vocational training programs of the variety offered by trade or technical schools. Training that has a direct tie-in to particular jobs, either through on-the-job training or cooperative arrangements, is more likely to be successful than training programs that are designed and organized in isolation from real employment situations. Deprez and Sigurdson found that good results were obtained when on-the-job, production-oriented training was organized in the company of other skilled workmen.[203] What is to be avoided are training projects that represent only weak, short-term intervention and those that are organized simply as an alternative way of providing social assistance. This kind of training program cannot be expected to help Indian people to break out of a cycle of low wages, unstable employment, and periods of unemployment.

With regard to our own data for the Micmac labour force in Nova Scotia, we have undertaken some preliminary analyses that also reveal a somewhat mixed picture in terms of the significance of educational and training strategies. Since our data base does not include an income variable, we have used both socioeconomic status and the extent of employment during 1980 as the dependent variables in separate regression runs. A number of individual-level characteristics were entered as independent variables.

Table 5.3 gives the results of the analysis when the socioeconomic status of occupations (as measured by the Blishen

scores described in Chapter 3) is the dependent variable. The table reveals that females, individuals with higher levels of education, and individuals with greater seniority are more likely to hold occupations of higher status; the education and gender variables in particular are reasonably good predictors of socioeconomic status, accounting for almost all of the explained variance. Other variables, such as the completion of vocational training or use of the Micmac language, make little contribution. Since the Blishen scores are composed by taking into account income, prestige, and level of education, it is perhaps not surprising that the educational level attained by employed Micmac individuals comes through as a reasonably strong variable. With regard to gender, we have noted in earlier sections how Micmac women are more likely to be employed in white-collar occupations than men and particularly in the semi-professional occupations providing social, health, and educational services to reserve residents.

When the dependent variable becomes the extent of employment during 1980 (that is, whether the person was unemployed year-round, employed for a portion of the year, or regularly employed), the results are similar except that none of the variables make a very strong contribution to explained variance (see Table 5.4). While education, age, and gender continue to figure in the results, joined now by current residence, total explained variance amounts to no more than 12 per cent. To put it another way, making investments in education, living off reserve, and being female and older are of only marginal relevance for improving the prospects of year-round employment, according to these results. Clearly, other variables need to be brought into the equation, whether they measure other dimensions of the background and experience of individuals or tap more structural dimensions of the situation. Analysis along these lines, and of a more technical nature, is currently being carried out and will, perhaps, shed more light on the matter.

Job Information Networks: It is reasonably clear from the research literature that formal methods of recruiting by employers and of job searching by individuals are not the most common or the most effective. Numerous studies have shown that informal job search techniques, such as obtaining information about jobs from friends and relatives and making direct approaches to employers, are more important than registering with Canada Employment Centres; typically about two-thirds of all jobs are found through informal means.[204] For Indian job seekers, a similar pattern is evident. Thus, Hull's

Table 5.3
Predictors of the Socioeconomic Status (Blishen Scores) of the Occupations Held by the Micmac Labour Force in Nova Scotia: 1980

Independent Variables	Beta Value	
Level of education	-.422	*
Gender (male = 1; female = 2)	-.277	*
Age	-.126	*
Having lived off reserve in Nova Scotia (yes = 1; no = 2)	.118	*
Having served as chief of the band (yes = 1; no = 2)	.087	**
Having served as band councillor (yes = 1; no = 2)	.066	**
Micmac language use (usually = 1; occasionally = 2; not at all = 3)	.035	
Vocational training (no course = 1; course begun = 2; course completed = 3)	-.027	
Present residence on or off reserve (on = 1; off = 2)	-.031	
Adjusted r square	.335	
Number of cases:	884	

* Significant at the .001 level
** Significant at the .05 level

Note: A step regression procedure was employed, with listwise deletion. The Blishen scores are coded such that a low numerical score (close to 1) signifies high-status occupations, while a high number (close to 500) signifies low-status occupations.

Source: DAL/UNSI Data Base.

Table 5.4
Predictors of the Employment Status of the Micmac Labour Force in Nova Scotia: 1980

Independent Variables	Beta Value	
Present residence on or off reserve (on = 1; off = 2)	-.184	*
Level of education	-.203	*
Age	-.202	*
Gender (male = 1; female = 2)	-.78	**
Having served as band councillor (yes = 1; no = 2)	.068	**
Vocational training (no course = 1; course begun = 2; course completed = 3)	-.060	
Having Served as Chief (Yes = 1; No = 2)	-.030	
Micmac language use (usually = 1; occasionally = 2; not at all = 3)	-.029	
Having lived off reserve in Nova Scotia (yes = 1; no = 2)	-.029	
Having served in the armed forces (yes = 1; no = 2)	.011	
Having lived off reserve outside Nova Scotia (yes = 1; no = 2)	.007	

Adjusted r square: .117
Number of cases: 884

* Significant at the .001 level
** Significant at the .05 level

Note: A stepwise regression was employed, with listwise deletion.

Source: DAL/UNSI Data Base.

study of native women in Winnipeg revealed that 47 per cent found their jobs through information provided by friends and relatives and a further 13 per cent found jobs by direct contact with employers, as compared to 30 per cent through employment centres or advertisements.[205] In William Stanbury's study of off-reserve natives in British Columbia, direct hiring by the employer and contacts made through friends and relatives accounted for 72 per cent of all jobs obtained, while more formal means (Canada Manpower Centres, the Department of Indian Affairs, private employment agencies, and advertisements) accounted for only 17 per cent of the jobs found.[206]

There is also some evidence to suggest that employers are more likely to recruit from formal placement agencies when they are looking for short-term labour for relatively low-status, low-income occupations. This is presumed to be the case because employers are not too concerned about the quality of labour they receive for these kinds of positions—all they need is a pair of hands for a job that is either short-term or for which worker turnover is not a problem. When it comes to more responsible positions, with longer on-the-job training and stability requirements, it is argued in the literature that employment centres are not able to provide sufficient and reliable information about potential applicants. Personal connections are more likely to identify those persons who can do the job acceptably, whether through direct connections between the employer and his/her network or through referrals from existing employees.

Given the importance, then, of informal recruitment and job search methods, the social networks or connections that a person has to people who already have jobs becomes an important consideration in obtaining employment. This presents a barrier for the Micmac to the extent that they have an unusually high unemployment rate, their friendship patterns are largely confined to within the Micmac community, and they are isolated by the location of their reserve. Thus, an employment strategy that sought to break out of existing patterns would need consciously to build the necessary linkages to the work world. Negotiating directly with employers for training and job positions, as mentioned above, would help in this respect. The development of more Indian-owned businesses would automatically extend job-related information into the Micmac community. Also, if urban employment offices are established, they might systemically canvass those Micmac people already working to take advantage of their knowledge of vacancies and their ability to refer acquaintances to those positions.[207]

The Cultural Factor: There is a good deal of debate – and confusion – about the importance of Indian cultural differences as a factor in hindering their employment prospects. The confusion arises in part because of a lack of clarity in many cases about what is being discussed. Is reference being made, for example, to traditional (or aboriginal) cultural traits which have survived to the present time and which are said to be incompatible with advanced industrial society? Or is the reference to a culture of poverty, an adaptation to a low-income, welfare-dominated economy? If the latter, are the patterns any different in similar non-Indian communities, or is there also an element of adaptation to an oppressed racial minority status?

In the context of Nova Scotia, the debate is also hampered by the fact that very few empirical studies are available on contemporary Micmac culture. As one indicator of continuing cultural differences, our data on language use showed a surprising degree of Micmac language retention, although not surprisingly it varied by age category (see Table 3.8) and geographic location (see Table 3.9). Other studies, most of them impressionistic, also point to the persistence of long-standing cultural differences, although in some of the reports the emphasis is as much on cultural change as it is on continuity. Among the recurring traits said to characterize Micmac culture are their strong attachment to children, their stress on personal autonomy in child-rearing patterns, a greater respect for their elders (although this value has declined over time), resistance to authority, more consensual decision-making patterns, an emphasis on bodily strength and physical contact sports among males, and migratory travel patterns.[205]

The literature and historical experience tends not to support, however, the idea that the cultural differences that exist represent a significant impediment to off-reserve employment. The extensive Micmac migration to work in New England in earlier decades is a strong argument in favour of the view that the availability of employment opportunities is perhaps the main variable involved. Studies in other parts of the country suggest that Indian adaptations to industrial employment situations were not unduly hampered by cultural considerations. Knight, in his study of the involvement of British Columbian Indians in the building of the provincial economy in this century, concludes that there is no evidence to support the thesis that "ongoing traditional values and attitudes somehow limit Indian job capacities and require unique solutions for integrating Indian workers into industries...Neither the demands of novel industrial conditions, nor culture shock, nor the tug of continuing social

traditions stopped Indian people from facing the industrial world of these times head on and dealing with it."[209] Charles Hobart made a more recent examination of the profound shift in work patterns that northern native people have undergone in recent decades as they have taken up industrial employment, and he finds that there is an initial shakedown period. Initially, there is a casual approach to work schedules, a tendency to go hunting at numerous times of the year, some communication problems with non-Indians, and little sense of preventative maintenance of machinery. "In time, however, native workers became excellent workers, thoroughly competent and dependable at the work they were assigned".[210] In the United States, T. Graves related distinctive Navajo personality traits to measures of economic performance in an urban setting and did not find a significant relationship to exist, although other writers take a different point of view.[211]

On the basis of the above, we would conclude that there probably are significant cultural differences between the Micmac and other Nova Scotians, but we would be hesitant to suggest that they represent a very significant impediment to off-reserve employment. However, this is not to say that they are irrelevant in the design of an employment strategy. Individuals undertaking off-reserve employment may well need a period of time to make the transition and may require various kinds of supports along the way. Employers and fellow workers need to be educated about what to expect. Employment projects should also be designed in such a way that they are attractive to Indian people, congruent insofar as possible with their values and preferences in order to minimize the amount of adjustment that needs to take place.

In this connection, the location of the job is an important consideration, given the strong community attachments that appear to exist among the Micmac. Either jobs located near reserves or the organization of commuting arrangements should be considered. It would be advisable as well to negotiate for several positions with each employer and to make it possible thereby for a group of Indian people to work together in one work unit. Attention needs to be paid to the kinds of authority and supervisory relationships that are established, and it would be preferable to have an Indian person in charge of recruitment and supervision. To put it another way, there are work patterns that in the past have struck a responsive chord among the Micmac. The annual trek to Maine to harvest blueberries, cherries, and potatoes is an example, as are other occupations such as guiding, drywalling, or handicraft production. The challenge is to find or

design work opportunities that are seen to be attractive and that incorporate valued cultural attributes.

Micmac leaders are quick to point out, however, that a recognition of cultural factors along the lines suggested above should not imply that the jobs need to be traditional ones, or jobs similar to what the Micmac are presently doing, since the present is so much influenced by the limited opportunities currently available. Rather, the range of jobs can and should include the most modern and technically skilled occupations, jobs to which the Micmac can contribute their traditional strengths and capabilities but in modern forms.[212] Recognition of the cultural factor also underlines the importance of Micmac involvement in and control over the implementation of an employment strategy, since non-Indians are not in a good position to know the answers to questions such as the kinds of jobs that are most attractive to Indians, which people are most suitable for particular opportunities, who can work together in the same group, or what support services need to be provided.

The Hold of the Welfare Economy: In the chapter on theory, we discussed various perspectives on the functions of welfare systems in relation to employment. The views range from largely negative characterizations, which stress the debilitating effects of being on welfare and its interference with the automatic adjustment mechanisms of a free market economy, to more positive perspectives that regard welfare and related programs as providing a means by which people can resist the more exploitative forms of work that may be available, a shelter from the naked competition of the unfettered market.

In the Micmac community, welfare is often seen as a right, not as charity, in partial compensation for lands that have unjustly been taken away.[213] In many cases, as we have seen, it is part of an annual income package that supplements seasonal employment earnings, monies derived from training programs, and so forth. It is a regular and dependable source of income that adds up to a substantial amount in the case of families with large numbers of dependents. However, the Micmac leadership by and large regards the welfare system negatively, as something to move away from. It is seen as an element of control in the structure of dependency on government policies, agents, and funds; it is seen as being destructive of individual initiative, family cohesiveness, and community well-being.[214] It is regarded both as an easy way out for the government, as an unimaginative and destructive route through which to deal with the economic problems of Indian people, and as a way of buying off political

protest. Increasingly, the Micmac see the budget of the Department of Indian Affairs consumed by the burden of welfare payments at the expense of long-term economic development and training funds.

The welfare system is also recognized to be a significant impediment to achieving employment, both on and off the reserve. It is not so much an issue of a lack of stable work experience, appropriate attitudes, and motivation as a result of long-term welfare dependency; these factors, it is felt, should be taken into account in the development of a strategy but can be overcome in a transitional phase through appropriate supportive programs. Of greater significance is the question of incentives for individuals to choose employment over welfare, assuming jobs are available. For persons with dependents, the income from social assistance is substantially higher than that which could be obtained from employment at low or moderate wages. If off-reserve employment is envisaged, there is the added expense of travel and possibly accommodation to consider, not to mention the need to pay income tax.

It is understood, therefore, that the break from the welfare economy will not be easy to achieve, both for individuals who calculate the net benefits to be gained from employment and for the political leaders of the communities who attempt to tamper with existing welfare regulations. The implications for strategic planning would appear to be the following. First, a successful employment strategy will need to recognize that the welfare system, like the educational and training system, needs to be an integral part of a strategy and not something separate from and irrelevant to employment concerns. Second, the emphasis of the employment strategy quite properly needs to be on making good jobs available, those that pay reasonable wages and provide decent fringe benefits, job security, and advancement opportunities, not to mention the more culturally oriented characteristics discussed in the previous section. Finally, at least for an initial period, welfare policies need to recognize a generous trade-off between employment, training, and welfare income. Those prepared to seek or accept employment, and particularly those with dependents, will need to have a large proportion of their welfare payments – perhaps 75 to 100 per cent – continued in order to provide sufficient incentive to shift the balance to the alternative of employment.

A successful strategy will, in short, need to build the stepping stones that will, over a period of several years, permit Micmac communities to make the transition to self-reliant employment and economic development. Just what those steps

will be requires a good deal of further elaboration. It is safe to conclude that social science research has not addressed this problem very seriously, nor are there very many clearly documented precedents to follow.

Conclusion

There are, of course, other barriers to off-reserve employment that could be enumerated – the isolation of most of the reserves, for example, or the practical problems of a lack of child care or transportation that also need to be addressed. However, we believe that the more significant ones have been discussed above.

In conclusion, it should be clarified that the Micmac labour force is not, of course, a homogenous one. The strategy elements that have been discussed above are directed primarily to benefit what is the largest subgroup, namely the two-thirds of the Micmac labour force in Nova Scotia that has an educational level in the range of grades 7 to 12 and perhaps some vocational training, but lacking for the most part in stable employment experience. Apart from this group, one can identify those with post-secondary educational qualifications as the group most likely to succeed on its own, since they have some educational credentials that allow them to compete in the labour market. The size of this group is increasing: they made up 7.3 per cent of the Micmac labour force in 1980, compared to 4.7 per cent five years earlier. For those still in the educational system and seeking advanced educational levels, the main need is for good career and educational counselling in high school so that they will be prepared for careers that promise a future upon graduation.

The third and most difficult group to assist are those with severe labour market handicaps. In educational terms, a quarter of the Micmac labour force in 1981 had less than seven years of education. Cutting across the educational divisions are those with other problems that translate into handicaps in the labour market, such as alcohol and drug problems, criminal records, and learning disabilities. Many in this group will need to overcome their handicap before employment becomes a realistic possibility. Thus, referral to motivational, upgrading, or alcohol and drug programs may need to be the first step. In other cases, the provision of employment opportunities may in itself provide the impetus for changes in behaviour by giving participants something meaningful to do and, as a result, self-respect. Some will want to work on reserve, and in these cases it may be possible to design special make-work and economic development projects with the individuals' needs and talents in mind. In the off-reserve context, it would be advisable to integrate one or two

persons with serious labour market handicaps with a larger group of Micmac persons working or undergoing training with a particular employer. His/her peer group can then provide the example and the supports that may be necessary from time to time.

6: CONCLUSION

In the preceding chapters, we have been concerned with the economic base of Micmac communities and specifically how that base can be improved with respect to employment and economic development. The issue is an important one, in part because of the negative effects on individuals and communities when they are faced with rates of unemployment and underemployment many times the national average. The matter is also of importance to public policy, for we have seen that the central feature of that policy in recent decades has been the practice of attempting to purchase economic well-being through the extensive provision of welfare and publicly subsidized employment. Such practices leave Indian communities in an economically dependent relationship to the public sector at a time when they are seeking economic self-sufficiency to complement and support movement towards self-government.

In an empirical chapter, we were able to draw on an extensive data base to document contemporary demographic, educational, and employment patterns among the Micmac. Comparisons with data on non-Indian Nova Scotians provided a benchmark against which distinctive Micmac patterns could be highlighted. Trends over the recent past were established through comparisons over the period between 1975/76 and 1980/81.

We also devoted a chapter to examining various theoretical perspectives that seek to explain the roots of high levels of poverty and underemployment and to prescribe a range of remedies consistent with that analysis.

In a historical chapter, it became clear that the contemporary situation has not always prevailed. In aboriginal times, the Micmac had established a community-based subsistence economy that was almost completely self-sufficient. Even during the fur trade, a measure of Indian control over a natural resource, combined with highly developed skills at harvesting that resource, gave Micmac families an important,

though more interdependent, stake in the prevailing regional economy. As recently as the early decades of the twentieth century, the Micmac have demonstrated an ability and willingness to take advantage of high levels of demand for labour and to contribute to the building of a more industrial economy in the Maritimes and in New England.

In the contemporary context, the obstacles to building a self-reliant economic base are formidable. Natural resources which are in high demand and on the basis of which reserve-based economic development can proceed do not appear to be abundant on the relatively small reserve enclaves. The demand for Micmac labour is very low and is compounded by double-digit unemployment rates for the non-Indian work force. The threat of job displacement through technological change suggests that current unemployment problems may be exacerbated in the future. The Micmac, too, have accumulated a number of handicaps that make them less than competitive in prevailing labour and product markets. These include a lack of articulation with the regional economy as a result of isolation on the reserve and high unemployment, low but gradually improving levels of education, and several decades of reliance on a welfare-based economy.

What, then, can we say of strategies for economic and employment development that would come to grips with these obstacles? We have found no easy answers or all-encompassing solutions. While the theoretical frameworks have suggested some guidelines, the lessons of history, the results of the data analysis, and in particular the ideas for action coming from the Micmac community itself have been influential in suggesting certain directions. These have been reviewed in the previous chapter, in the form of strategies that would enhance reserve-based business development, employment development in Micmac communities, and the achievement of a more equitable share of the rather limited employment that is available in the provincial labour market.

Out of these discussions comes a clarification of the role the public sector should play in supporting initiatives that would lead to a self-sustaining economic base for Indian communities. We have pointed to the need for making the legal, administrative, and other changes that would give Indians the levers of control over their own business and employment development. Prompt and equitable settlement of aboriginal title and land claims would serve to expand the resource base of Indian communities. Flexibility in the reordering of spending priorities to give much greater emphasis to developmental and

preventive, rather than remedial, measures is called for. Supporting the formation of aboriginal economic and employment institutions and aiding Indian initiatives to increase access to employment and training opportunities off-reserve would also represent steps in the right direction.

The role recommended for public policy is in keeping with contemporary changes in political philosophy in that it rejects the creation of welfare dependency, the subsidization of inefficient businesses, the direct provision of employment by government, and government control over Indian lives. However, conservative trends that would suggest a laissez-faire role for the state, or that would pin all the hopes for economic development on the private entrepreneur, or that would suggest the abolition of the reserves in the interests of promoting the operation of the free market would not coincide with the distinctive features and requirements of Indian economic and employment development. Nor is it a sufficient response simply to turn responsibility for social and economic programs over to Indian bands and then to assume that the problems have been resolved. Sustained funding of Indian-controlled programs will be required, as will the provision of relevant and thorough training for those who are to assume new responsibilities.

As the measures suggested above indicate, what is required is an interventionist role for the public sector. However, this role should be interventionist in a positive manner that is supportive of the initiatives of Indians to rebuild their communities on a solid economic footing.

NOTES

1. For statistics on these matters, see A.J. Siggner, D. Perley, and D. Young, *An Overview of Demographic, Social and Economic Conditions Among Nova Scotia's Registered Indian Population* (Ottawa: Research Branch, Corporate Policy, Indian and Northern Affairs Canada, 1982), and the Minister of Indian and Northern Affairs, *Indian Conditions: A Survey* (Ottawa: Department of Indian Affairs and Northern Development, 1980). A less quantitative discussion can be found in Dorothy Moore (ed.), *Social Conditions and Services on Micmac Reserves in Nova Scotia* (Halifax: Maritime School of Social Work, Dalhousie University, 1983).

2. A case study that clearly links the lack of an employment base of an Indian community with low community cohesion and with social problems at the individual and family levels is provided by Anastasia Shkilnyk, *A Poison Stronger Than Love* (New Haven: Yale University Press, 1985).

3. Milestones in the debate at the national level have included the National Indian Brotherhood's *A Strategy for the Socio-Economic Development of Indian People* (Ottawa: National Indian Brotherhood, 1977), the so-called Beaver Report, *To Have What is One's Own* (Ottawa: The National Indian Socio-Economic Development Committee, 1979), and the Report of the Special Committee, *Indian Self-Government in Canada* (Ottawa: Queen's Printer, 1983).

4. A discussion of Micmac literacy is found in Marie Battiste, "Micmac Literacy and Cognitive Assimilations," a paper presented to the Mokakit Indian Education Research Association, London, Ontario, 1984.

Some of the basic sources on the Micmac in the period of early contact are the following: Marc Lescarbot, *Nova Francia: A Description of Acadia*, edited by H.P. Biggar (London: Routledge, 1928); Samuel de Champlain, *Works*, edited by H.P. Biggar (Toronto: The Champlain Society, 1922-36); Nicolas Denys, *Natural History of the People, of the Animals, of the Trees and Plants of North America and Its Diverse Climates*, edited by William F. Ganong (Toronto: The Champlain Society, 1908); Christian LeClercq, *New Relations of Gaspesia*, edited by William F. Ganong (Toronto: The Champlain Society, 1910); R.G. Thwaites (ed.), *The Jesuit Relations and Allied Documents* (Cleveland: Burrows Brothers, 1905); and Abbé Maillard, *An Account of the Micmacs and Maricheets Savage Nations* (London: S. Hooper and A. Morley, 1758). A major work drawing on these and other early sources is Bernard G. Hoffman, *Historical Ethnography of the Micmac of the Sixteenth and Seventeenth Centuries* (Berkeley: University of California, 1955).

5. George F. MacDonald, "Debert: A Palaeo-Indian Site in Central Nova Scotia," Anthropology Paper 16 (Ottawa: National Museums of Canada, 1968), p. 136.

6. Harold McGee, Jr., "The Micmac Indians: The Earliest Migrants," in *Banked Fires – The Ethnics of Nova Scotia*, edited by Douglas F. Campbell (Port Credit, Ontario: The Scribblers' Press, 1978).

7. Ellice B. Gonzalez, *Changing Economic Roles for Micmac Men and Women: An Ethnohistorical Analysis*, Canadian Ethnology Service Paper No. 72 (Ottawa: National Museums of Canada, 1981), Chapter II.

8. Ibid.

9. McGee, op. cit., p. 21.

10. Lescarbot, op. cit., p. 227.

11. Gerhard Lenski, *Power and Privilege: A Theory of Social Stratification* (Chapel Hill: University of North Carolina Press, 1984).

12. See, for example, LeClerq, op. cit., and Thwaites, op. cit.

13. Gonzalez, op. cit., p. 30.

14. L.F.S. Upton, *Micmacs and Colonists: Indian-White Relations in the Maritimes, 1713-1867* (Vancouver: University of British Columbia Press, 1979), p. 27.

15. Gonzalez, op. cit., p. 36.

16. Upton, op. cit., p. 26.

17. Ibid., p. 25.

18. Fisher, in his analysis of the fur trade on the West Coast, challenges the view that Indians were the passive victims of avaricious traders. He argues that the natives were, rather, active and shrewd bargainers for maximum advantage. They withheld their products, cheated on occasion, demanded higher quality goods in return, and generally exacted a reasonable, sometimes exorbitant, price for their product. While a detailed analysis has not been carried out on the East Coast, there is some reason to believe that a similar pattern prevailed here. See Robin Fisher, *Contact and Conflict: Indian-European Relations in British Columbia* (Vancouver: University of British Columbia Press, 1979).

19. Virginia P. Miller, "The Decline of Nova Scotia Micmac Population, 1600-1850," paper presented at the Eleventh Algonkian Conference, Ottawa, 1979, p. 26.

20. Upton, op. cit., p. 78.

21. Miller, op. cit., pp. 11-15.

22. Abraham Gesner, Commissioner of Indian Affairs, as quoted in "Bear River," unpublished manuscript, Union of Nova Scotia Indians, Sydney, Nova Scotia, n.d., pp. 20, 21.

23. Upton, op. cit., p. 136.

24. Quotation from a license of occupation as quoted in "Pomquet and Afton Indian Reserves," unpublished

manuscript, Union of Nova Scotia Indians, Sydney, Nova Scotia, n.d., p. 3.

25. John Harris, Deputy-Surveyor, as quoted in "Bear River", op. cit., p. 6.

26. McGee, op. cit., p. 28.

27. Gonzalez, op. cit., p. 62.

28. Helen Ralston, "Religion, Public Policy and the Education of Micmac Indians of Nova Scotia, 1605-1872," *Canadian Review of Sociology and Anthropology*, Volume 18, Number 4 (November 1981), pp. 470-498.

29. Upton, op. cit., p. 127.

30. Alexander H. Leighton, "The Twilight of the Indian Porpoise Hunters," *Natural History*, Volume 40 (1937).

31. As quoted in "Chapel Island Indian Reserve," unpublished manuscript, Union of Nova Scotia Indians, Sydney, Nova Scotia, n.d., p. 10.

32. Donald Julien, "History of the Micmac Indians," unpublished manuscript, Institute of Public Affairs, Dalhousie University, Halifax, 1978, p. 28.

33. For a discussion of the data base from which these results are derived, see Chapter 3.

34. S.A. Saunders, *The Economic History of the Maritime Provinces*, Sources in the History of Atlantic Canada (Fredericton, New Brunswick: Acadiensis, 1984).

35. *Census of Canada*, Minister of Agriculture (Ottawa: Queen's Printer, 1871); *The Eighth Census of Canada*, Dominion Bureau of Statistics (King's Printer, 1941), Table 65.

36. Julien, op. cit., pp. 18-70.

37. Ibid.

38. Jeanne Guillemin, *Urban Renegades: The Cultural Strategy of American Indians* (New York: Columbia University Press, 1975), Chapter III.

39. Julien, op. cit., p. 21.

40. Wilson D. Wallis and Ruth Sawtell Wallis, "Culture Loss and Culture Change Among the Micmac of the Canadian Maritime Provinces, 1912-1950," *Kroeber Anthropological Society Papers* 8/9 (1953), pp. 100-129.

41. William C. Sayres, *Sammy Louis: The Life History of a Young Micmac* (New Haven: Compass Publishing Company, 1956), pp. 6, 7.

42. Philip K. Bock, *The Micmac Indians of Restigouche*, Bulletin 213 (Ottawa: National Museum of Canada, 1966).

43. Wallis and Wallis, op. cit., p. 107.

44. Gonzalez, op. cit., p. 95.

45. Julien, op. cit., p. 67.

46. W.S. Arneil, "Investigation Report on Indian Reserves and Indian Administration, Province of Nova Scotia," Indian Affairs Branch (Ottawa: Department of Mines and Resources, August 1941), p. 4.

47. Julien, op. cit.

48. Arneil, op. cit.

49. Ibid, pp. 3, 9.

50. Ibid, p. 6.

51. Thomas Gideon, as quoted in Julien, op. cit., pp. 75, 76.

52. A detailed analysis of sources relating to the centralization program is forthcoming in an M.A. thesis by Lisa Patterson, Department of History, Dalhousie University.

53. Sheila Steen, *The Psychological Consequences of Acculturation Among the Cape Breton Micmac*, unpublished M.A. thesis, University of Pennsylvania, 1951.

54. Ibid, p. 79.

55. Ibid, p. 60.

56. Wallis and Wallis, op. cit., p. 106.

57. Andrea Sapp, "Centralization Policy, 1941-1950, Indian Brook Reserve," unpublished manuscript, Department of Anthropology, Saint Mary's University, Halifax, n.d., p. 4.

58. Gonzalez, op. cit., p. 98.

59. We have chosen not to provide empirical results on a reserve-by-reserve basis in order to avoid invidious comparisons being made from one community to the next. It is clear from our data, however, that the economies of scale that formed part of the rationale for centralization did not materialize in self-sufficient economic development for Eskasoni and Shubenacadie. Both reserves have higher rates of unemployment and welfare dependence than several smaller reserves in the contemporary period, and they have also had substantial difficulties in business development.

60. Fred Wien, *Socioeconomic Characteristics of the Micmac in Nova Scotia* (Halifax: Institute of Public Affairs, Dalhousie University, 1983).

61. A.J. Siggner, D. Perley, and D. Young, *An Overview of Demographic, Social and Economic Conditions Among Nova Scotia's Registered Indian Population* (Ottawa: Research Branch, Corporate Policy, Indian and Northern Affairs Canada, 1982).

62. Since we are dealing with actual numbers in Table 3.6 and Figure 3.6, the age profile of each population becomes a factor. This explains why the actual number of students increases in some years, rather than decreasing. One way to control for differing age profiles is to calculate

the number of students in a particular grade as a percentage of the school-age population. While the available data do not permit a rigorous control to be carried out, a rough calculation suggests that only some 41 per cent of the Micmac population aged 15 to 17 was actually enrolled in grades 10 to 12 in 1979/80, whereas the corresponding figure for the overall Nova Scotia population was on the order of 77 per cent. The decline in the proportion of Micmac students enrolled becomes particularly pronounced at grade 8 and after.

63. For March of 1980, Statistics Canada's Labour Force Survey reports a province-wide unemployment rate of 11.5 per cent. The survey identifies an additional group of persons who want work but who are not actively searching. Their inclusion would raise the unemployment figure to 15.1 per cent. See *The Labour Force*, Catalogue 71-001 (Ottawa: Minister of Supply and Services, March 1980).

64. In the tables dealing with the occupations and industries of employment, we have chosen to use the total labour force of Nova Scotia as the comparison group, rather than southwest Nova Scotia and the Eastern Shore, since occupations and industries are particularly sensitive to variation from one region to the next. In these tables, the total Micmac labour force in the province is described, rather than the on-reserve labour force.

65. Bernard Blishen and Hugh McRoberts, "A Revised Socio-economic Index for Occupations in Canada," *Canadian Review of Sociology and Anthropology*, Volume 13, Number 1 (1976), pp. 71-79.

66. P. Pineo, J. Porter, and H. McRoberts, "The 1971 Census and the Socio-economic Classification of Occupations," *The Canadian Review of Sociology and Anthropology*, Volume 14, Number 1, (February 1977), pp. 91-102.

67. Apart from the additional expenditure of public funds, two other developments contributed to the relative decline of cooperative and private sector employment. The first was the failure of the oyster farms and sawmill mentioned above, both of which were organized on cooperative lines. Second, a significant motel business on

one of the mainland reserves switched from private ownership to band-council ownership in the period from 1975 to 1980.

68. A clear exposition of the causal relationships involved is given by Donald Whyte, "Sociological Perspectives on Poverty," in *Poverty in Canada*, edited by John Harp and John Hofley (Scarborough, Ontario: Prentice-Hall, 1971).

69. Cross-national studies suggest that societies differ somewhat in the number of mobility opportunities they provide. The factors that affect this include the rate of technological change and industrialization, the possibility of expansion into frontier areas, the overall rate of immigration and the ratio of rural to urban migration (both of which serve to increase the local labour force), and differential fertility rates among incumbents of low- and high-wage occupations. See Peter M. Blau and Otis Dudley Duncan, *The American Occupational Structure* (New York: John Wiley and Sons, 1967). This perspective illustrates the extent to which orthodox theory is oriented toward the average, usually white, male individual. North American Indians were not well served by "immigration" and "frontier expansion;" in fact, they have long maintained that one of their fundamental mistakes was in adopting an immigration policy that was too liberal!

70. H.B. Hawthorn (ed.), *A Survey of the Contemporary Indians of Canada*, Volume I (Ottawa: Indian Affairs Branch, 1978), p. 102.

71. Blau and Duncan, op. cit., p. 20.

72. E.M. Beck, Patrick M. Horan, and Charles M. Tolbert, "Labour Market Discrimination Against Minorities: A Dual Economy Approach," paper presented to the Annual Meeting of the American Sociological Association, San Francisco, 1978, p. 4.

73. Gunnar Myrdal, *An American Dilemma*, Volume I (New York: McGraw-Hill Book Company, 1964), Chapter 3.

74. Blau and Duncan, op. cit., p. 239.

75. Gary Becker, *Human Capital* (New York: Columbia University Press, 1964).

76. David M. Gordon, *Theories of Poverty and Underemployment* (Lexington, Mass.: Lexington Books, D.C. Heath and Company, 1972), Chapter 3.

77. Ibid., p. 38.

78. Suzanne Berger and Michael Piore, *Dualism and Discontinuity in Industrial Societies* (New York: Cambridge University Press, 1980), pp. 1, 2.

79. Stewart Clatworthy, *The Effects of Length of Urban Residency on Native Labour Market Behaviour* (Winnipeg: Institute of Urban Studies, University of Winnipeg, 1982).

80. Thomas Courchene, "The Transfer System and Regional Disparities: A Critique of the Status Quo," unpublished manuscript, Department of Economics, University of Western Ontario, London, 1978.

81. Lars Osberg, *Economic Inequality in Canada* (Toronto: Butterworths, 1981), Chapter 7.

82. Barbara Bergmann, "The Effect on White Incomes of Discrimination in Employment," *Journal of Political Economy*, Volume 19 (1971).

83. Gary Becker, *The Economics of Discrimination* (Chicago: University of Chicago Press, 1957). See also Beck, Horan, and Tolbert, op. cit., p. 2.

84. Whyte, op. cit., p. 84.

85. R.W. Dunning, "Ethnic Relations and the Marginal Man," *Human Organization*, Volume 18 (1959), pp. 117-122.

86. Robert K. Merton, *Social Theory and Social Structure* (Glencoe, Illinois: The MacMillan Company, 1957).

87. Oscar Lewis, "The Culture of Poverty," in Harp and Hofley, op. cit., pp. 221-230. For a further discussion of

culture-of-poverty approaches, see Chaim I. Waxman, *The Stigma of Poverty: A Critique of Poverty Theories and Policies* Second Edition (New York: Pergamon Press, 1983).

88. Lewis, op. cit., p. 229.

89. Ibid., p. 224.

90. Mark Nagler, "Minority Values and Economic Achievement: The Case of the North American Indian," in *Perspectives on the North American Indians*, edited by Mark Nagler, The Carleton Library No. 60 (Toronto: McClelland and Stewart Ltd., 1972).

91. Ibid., p. 141.

92. This contributes, of course, to redundancy as the result of technological change. The despair of missionaries and of governmental administrators at getting Indians to settle down in communities and turn to agriculture as a means of livelihood amply illustrates this theme.

93. W.W. Rostow, "The Take-off into Self-sustained Growth," in Gayl D. Ness, *The Sociology of Economic Development: A Reader* (New York: Harper and Row, 1970).

94. Everett E. Hagen, "How Economic Growth Begins: A Theory of Social Change," in Ness, op. cit.

95. Bert F. Hoselitz, "Main Concepts in the Analysis of the Social Implications of Technical Change," in Ness, op. cit., pp. 17-36.

96. Nagler, op. cit., p. 134.

97. Hawthorn, op. cit., p. 107. Nagler submits that, in his own research, "urban proximity is a factor which facilitates adjustment to North American society. This appears to be the situation as individuals who are raised in close proximity to an urban environment are familiar with the expectations and value systems of the urban host community and as a result, if they choose, know how to compete in the urban industrial complex." Nagler, op. cit., p. 140.

98. John W. Chalmers, "Federal, Provincial and Territorial Strategies for Canadian Native Education, 1960-1970," *Journal of Canadian Studies*, Volume 11, Number 3 (August 1976).

99. Hawthorn, op. cit., p. 101.

100. Helen Ralston, "Religion, Public Policy and the Education of Micmac Indians of Nova Scotia, 1605-1872," *Canadian Review of Sociology and Anthropology*, Volume 18, Number 4 (November 1981), pp. 470-498.

101. Sally Weaver, *Making Canadian Indian Policy: The Hidden Agenda, 1968-1970* (Toronto: University of Toronto Press, 1981).

102. Don Clairmont, Richard Apostle, and Reinhard Kreckel, "The Segmentation Perspective as a Middle-Range Conceptualization in Sociology," *The Canadian Journal of Sociology*, Volume 8, Number 3 (Summer 1983), pp. 245-271.

103. Clark Kerr, "Labor Markets: Their Character and Consequence," *American Economic Review* (May 1950). Lloyd Reynolds, *The Structure of Labor Markets: Wages and Labor Mobility in Theory and Practice* (Westport, Conn.: Greenwood Press, 1951).

104. See, for example, Barry Bluestone, "The Tripartite Economy: Labour Markets and the Working Poor," *Poverty and Human Resources Abstracts*, Volume 5 (July-August 1970), pp. 15-35. See also, Thomas Vietorisz and Bennett Harrison, "Labor Market Segmentation: Positive Feedback and Divergent Development," *American Economic Review*, Volume 63, Number 2 (May 1973), pp. 366-376.

105. Berger and Piore, op. cit., pp. 10, 11.

106. Suzanne Berger, "The Uses of the Traditional Sector: Why the Declining Classes Survive," (Cambridge, Mass.: Department of Economics, Massachusetts Institute of Technology, 1973).

107. Robert Averitt, *The Dual Economy* (New York: Norton, 1968). John Kenneth Galbraith, *The New Industrial State* (New York: Signet, 1967).

108. Peter Doeringer and Michael Piore, *Internal Labor Markets and Manpower Analysis* (Lexington, Mass.: Heath, 1971).

109. Berger, op. cit. (1973).

110. Paul Ryan, "The Empirical Analysis of Labour Market Segmentation," paper presented for the Conference on Low Pay and Labour Market Segmentation in Advanced Industrial Countries, Berlin, July 1980.

111. Michael Piore, "On the Technological Foundations of Economic Dualism," Working Paper No. 10 (Cambridge, Mass.: Department of Economics, Massachusetts Institute of Technology, 1973).

112. Richard Edwards, *Contested Terrain: The Transformation of the Workplace in the Twentieth Century* (New York: Basic Books, 1979). See also Kathleen Stone, "The origins of Job Structures in the Steel Industry," in *Labor Market Segmentation*, edited by R. Edwards, M. Reich, and D. Gordon (Lexington, Mass.: D.C. Heath, 1975), pp. 27-84.

113. Jill Rubery, "Structured Labour Markets, Worker Organization and Low Pay," *Cambridge Journal of Economics*, Volume 2, Number 1, (March 1978), pp. 17-36.

114. Apart from segment-related differences, segmentation theorists also have a different conception of the role of education in the labour market, stressing its signalling, screening, and credentialism functions. For a discussion of this matter, see Osberg, op. cit., Chapter 8, and also Lester Thurow, *Generating Inequality: Mechanisms of Distribution in the U.S. Economy* (New York: Basic Books, 1975).

115. Berger and Piore, op. cit., pp. 4, 11.

116. Ryan, op. cit., p. 2.

117. Thurow, op. cit., Chapters 7 and 8.

118. The reserves are important sources for sustaining Indian ethnic identity, not only for those resident on reserve but also for those who move off yet make regular visits back to the community. See Don McCaskill, "Urbanites or Commuters: Maintenance of Native Identity in a Transitional Phase of Urbanization," paper presented to the Canadian Sociology and Anthropology Association Annual Meetings, University of British Columbia, Vancouver, June 1-4, 1983. The reserves are also seen as good locations for raising children and for retirement; indeed, Figure 3.5 has demonstrated the empirical validity of this pattern, and a description is found in Jeanne Guillemin, *Urban Renegades: The Cultural Strategy of American Indians* (New York: Columbia University Press, 1975).

119. Bennett Harrison, "Welfare Payments and the Reproduction of Low-Wage Workers and Secondary Jobs," in the *Review of Radical Political Economics*, Volume 11, Number 2 (Summer 1979).

120. From a segmentation perspective, Micmac band staff can be seen as subcontractors for the delivery of public programs. They, rather than the civil servants of federal government departments, bear the cost of instability as programs are initiated, revised, and terminated.

121. Critical reviews are outlined by Glen Cain, "The Challenge of Segmented Labor Market Theory to Orthodox Theory: A Survey," *Journal of Economic Literature*, Volume 14, Number 4 (December 1976), pp. 1215-1257; David Smith, "The Dual Labour Market Theory: A Canadian Perspective," Research and Current Issues Series No. 32 (Kingston: Industrial Relations Centre, Queen's University, 1976); and by Michael Wachter, "Primary and Secondary Labor Markets: A Critique of the Dual Approach," Brookings Papers on Economic Activity, Volume 3 (1974), pp. 647-693.

122. Again one can find considerable internal variation in perspective. An orthodox approach to dependency theory can be found in Thomas Courchene, op. cit. Marxist

variations are discussed briefly in the following section. Important sources on staple theory are Harold Innis, *The Fur Trade in Canada* (New Haven: Yale University Press, 1930); Mel Watkins, "A Staple Theory of Economic Growth," in W.T. Easterbrook and M.H. Watkins, *Approaches to Canadian Economic History*, Carleton Library No. 31 (Toronto: Gage Publishing, 1980); Mel Watkins, "The Staple Theory Revisited," *Journal of Canadian Studies*, Volume 12, Number 5 (1977).

123. André Gunder Frank, "The Development of Underdevelopment," in James D. Cockroft et al., *Dependence and Underdevelopment* (New York: Doubleday, 1972).

124. André Gunder Frank, *Capitalism and Underdevelopment in Latin America* (New York: Monthly Review Press, 1969). Lorraine Turner Ruffing, "Dependence and Underdevelopment," in *Economic Development in American Indian Reservations*, edited by Roxanne Dunbar Ortiz, Native American Studies Development Series No. 1, University of New Mexico (1979), p. 92.

125. E. Palmer Patterson, *The Canadian Indian: A History Since 1500* (Don Mills, Ontario: Collier-MacMillan Canada Ltd., 1972), Part I.

126. William R. Beer, "The Concept of Internal Colonialism: A Critical Review and an Ideal Type," (New York: Department of Sociology, Brooklyn College, City University of New York, n.d.), pp. 31, 32.

127. Ruffing, op. cit., p. 91.

128. Mel Watkins, "From Underdevelopment to Development," in his *Dene Nation: The Colony Within* (Toronto: University of Toronto Press, 1977), pp. 84-99; James Frideres, *Canada's Indians: Contemporary Conflicts* (Toronto: Prentice-Hall, 1974); Gail Kellough, "From Colonialism to Economic Imperialism," in John Harp and John Hofley, *Structured Inequality in Canada* (Scarborough, Ontario: Prentice-Hall, 1980), pp. 343-377; Peter Carstens, "Coercion and Change," in *Canadian Society: Pluralism, Change and Conflict*, edited by Richard J. Ossenberg (Scarborough, Ontario:

Prentice-Hall, 1971), pp. 126-145; and Marie Smallface Marule, "The Canadian Government's Termination Policy: From 1969 to the Present Day" in Ian A.L. Getty and Donald B. Smith, *One Century Later* (Vancouver: University of British Columbia Press, 1978), pp. 103-116.

129. Rodolfo Stavenhagen, "The Future of Latin America: Between Underdevelopment and Revolution," *Latin American Perspectives*, Volume 1, Number 1 (Spring 1974), pp. 124-148; Fernando Henrique Cardoso, "Industrialization, Dependency and Power in Latin America," *Berkeley Journal of Sociology*, Volume 17 (1972-73), pp. 79-95.

130. Ruffing, op. cit., p. 95.

131. Carstens, op. cit., p. 134. See also Paul Driben and Robert S. Trudeau, *When Freedom is Lost: The Dark Side of the Relationship Between Government and the Fort Hope Band* (Toronto: University of Toronto Press, 1983).

132. Vine Deloria, *Custer Died for Your Sins* (New York: The MacMillan Company, 1969); Harold Cardinal, *The Unjust Society: The Tragedy of Canada's Indians* (Edmonton: M.G. Hurtig Ltd., 1969); Howard Adams, *Prison of Grass: Canada from the Native Point of View* (Toronto: New Press, 1975); George Manuel and Michael Posluns, *Fourth World: An Indian Reality* (Don Mills, Ontario: Collier-MacMillan, 1974); Gary Anders, "Theories of Underdevelopment and the American Indian," *Journal of Economic Issues*, Volume 14, Number 3 (September 1980), pp. 681-701; and Leroy Little Bear, Menno Boldt and J. Anthony Long, *Pathways to Self-Determination: Canadian Indians and the Canadian State* (Toronto: University of Toronto Press, 1984).

133. Report of the Special Committee, *Indian Self-Government in Canada* (Ottawa: Queen's Printer, 1983).

134. Ruffing, op. cit., p. 109.

135. Patricia Marchak, *Green Gold: The Forest Industry in British Columbia* (Vancouver: University of British Columbia Press, 1983), Chapter 1.

136. Watkins, op. cit., (1977), p. 90.

137. Michael Asch, "The Dene Economy," in Watkins, op. cit., (1977), pp. 47-61.

138. Stavenhagen, op. cit.

139. Frideres, however, sees them playing a similar role, in that they are dependent on white businesses and serve as a bridge to external influence on reserve-level decision-making. See Frideres, op. cit.

140. John Loxley, "The Great Northern Plan," *Studies in Political Economy*, Number 6 (Autumn 1981), p. 163.

141. Michael Asch, "The Economics of Dene Self-Determination," in David H. Turner and Gavin A. Smith, *Challenging Anthropology* (Toronto: McGraw Hill Ryerson, 1979), p. 346. Ruffing, op. cit., p. 36.

142. Kellough, op. cit., and Steve Kakfwi and Bob Overvold, "The Schools" in Watkins, op. cit. (1977), pp. 142-148.

143. Lorraine Turner Ruffing, "Navajo Economic Development: A Dual Perspective," in *American Indian Economic Development*, edited by Sam Stanley (Paris: Mouton, 1978). See also Loxley, op. cit., and Watkins, op. cit., (1977).

144. Loxley, op. cit., pp. 163-168.

145. Ruffing, op. cit., (1979), p. 109.

146. Marchak, op. cit., Chapter 13.

147. Ruffing, op. cit., (1979), pp. 109, 110. See also Frideres, op. cit., and Kellough, op. cit.

148. Henry Veltmeyer, "A Central Issue in Dependency Theory," *The Canadian Review of Sociology and Anthropology*, Volume 17, Number 3 (1980), pp. 198-214; Harriet Friedman and Jack Wayne,"Dependency Theory: A Critique," *The Canadian Journal of Sociology*, Volume 2, Number 4 (1977), pp. 399-416; and David Glenday, "The 'Dependencia' School in Canada: An Examination

and Evaluation," *The Canadian Review of Sociology and Anthropology*, Volume 20, Number 3 (1983), pp. 346-358.

149. Beer, op. cit., p. 38.

150. Ruffing, op. cit., (1979), p. 91.

151. Manuel and Posluns, op. cit.

152. Multinationals have, however, been prominent in Nova Scotia's economic history and they have had some influence on Micmac livelihoods in industries such as coal, steel, and forestry. The interpretation would change, of course, if Micmac claims to aboriginal title are recognized.

153. Orlando Patterson, "The Moral Crisis of the Black American," *The Public Interest*, Volume 32 (Summer 1973); Robin Fisher, *Contact and Conflict: Indian-European Relations in British Columbia* (Vancouver: University of British Columbia Press, 1979).

154. Edna Bonacich, "A Theory of Ethnic Antagonism: The Split Labor Market," *American Sociological Review*, Volume 37 (October 1972), pp. 547-559; Edna Bonacich, "Advanced Capitalism and Black/White Race Relations in the United States: A Split Labor Market Interpretation," *American Sociological Review*, Volume 41 (February 1976), pp. 34-51; and Edna Bonacich, "The Creation of Dual Labor Markets," paper presented at the Conference on the Structure of Labor Markets and Socio-Economic Stratification, Athens, Georgia, March 3-5, 1980.

155. Bonacich, op. cit., (1980).

156. Loxley, op. cit.

157. Ron Bourgeault, "The Indians, the Métis and the Fur Trade: Class, Sexism and Racism in the Transition from 'Communism' to Capitalism," *Studies in Political Economy*, Number 12 (1983), pp. 45-80.

158. Bourgeault, op. cit., p. 49.

159. Loxley, op. cit., p. 49.

160. Peter D. Elias, *Metropolis and Hinterland in Northern Manitoba* (Winnipeg: The Manitoba Museum of Man and Nature, 1975); Kellough, op. cit., p. 352.

161. Bourgeault, op. cit., pp. 74, 75. The segmentation notion that a privileged segment of the labour force exists and that it acts to exclude racial minorities from its sheltered positions has sufficient basis to it that the prospect of an Indian alliance with the white organized labour movement is an unlikely one in the near future.

162. Rolf Knight, *Indians at Work: An Informal History of Native Indian Labour in British Columbia 1858-1930* (Vancouver: New Star Books, 1978), pp. 21, 180.

163. A valuable and recent source on the policy formation process as it pertains to Indians in Canada is Weaver, op. cit.

164. Some of the basic references illustrating this point are found in note 3.

165. For an elaboration of these ideas, see *A Strategy for the Socio-Economic Development of Indian People* (Ottawa: National Indian Brotherhood, 1977). Also relevant are Jan Loubser, "Development Centred on Man: Some Relevant Concepts from Canada" (Ottawa: Canadian Commission for UNESCO, 1980); and "Economic Development and the Revitalization of Families and Communities: Some Basic Principles" (Ottawa: Vanier Institute of the Family, 1984).

166. In the social welfare field, for example, there is a good deal of searching for new answers even as the Micmac take over responsibility for programs in child and family welfare, community health, education, and so forth. The appropriateness of specialized professionals, each with their own jurisdictions, serving very small communities, and providing more remedial services than preventative services, is increasingly being questioned. For a discussion of similar issues in the health field, see Marlene Brant Castellano, "Indian Participation in Health Policy Development: Implications for Adult

Education," *The Canadian Journal of Native Studies*, Volume 11, Number 1 (1982), pp. 113-128.

167. Many of the policy and strategy ideas outlined in this chapter were developed through a joint project between Dalhousie University and the Union of Nova Scotia Indians which was funded by the Donner Canadian Foundation.

168. DPA Consulting Ltd., *Economic Potential and Constraints on Nova Scotia Indian Reserves: A Discussion Paper* (Halifax: Development Planning Associates, January 1982).

169. Loubser, op. cit., p. 21.

170. The Minister of Indian and Northern Affairs, *Indian Conditions: A Survey* (Ottawa: Department of Indian Affairs and Northern Development, 1980), p. 111; Thalassa Research Associates, *The Economic Foundation of Indian Self-Government* (Victoria: Thalassa Research Associates, 1983), p. 47; and DPA Consulting Limited, *The Flow of Funds from the Government of Canada to Status Indians* (Ottawa: Development Planning Associates, 1979), p. ii.

171. Vine Deloria, "The Lummi Indian Community: The Fishermen of the Pacific Northwest," in *American Indian Economic Development*, edited by Sam Stanley (Paris: Mouton, 1978), pp. 87-158.

172. Deloria, op. cit., p. 149.

173. See, for example, Frank W. Young and Ruth C. Young, *Comparative Studies of Community Growth*, Rural Sociological Society Monograph Number 2, West Virginia University (1973).

174. Victor O'Connell, "A Review and Analysis of a Strategy for the Socio-Economic Development of Indian People (1976 and 1977)" (Ottawa: The Kanata Institute, July 1979).

175. Ruffing, op. cit., (1978), p. 81.

176. Ruffing, op. cit., (1978), pp. 78, 79, and Deloria, op. cit., (1978), p. 150. In Nova Scotia, the debate over whether a private entrepreneur approach to development or a band-based approach is to be preferred has come to a head regarding the composition of the board of a province-wide Micmac economic development organization. The issue is to what extent the board should be comprised of band representatives (that is, chiefs), as opposed to private Micmac entrepreneurs.

177. Report of the Special Committee, *Indian Self-Government in Canada* (Ottawa: Queen's Printer, 1983).

178. This was one of the main outcomes of the Donner project referred to in note 167, above.

179. Union of Nova Scotia Indians, "Micmac Economic and Employment Development Strategy for Nova Scotia" (Sydney, Nova Scotia: Union of Nova Scotia Indians, 1984), p. 14.

180. D.P. MacDonald, "Overview of the Economic Development Situation and Achievements Affecting Native People in Nova Scotia," Intergovernmental Relations, Atlantic Region, Indian and Inuit Affairs, Department of Indian Affairs and Northern Development, 1982, p. 2.

181. DPA Consulting, op. cit., (1982), p. 57.

182. Blair Williams, *The Future Direction of Outreach Policy* (Canada Employment and Immigration Commission, 1983).

183. Employment and Immigration Canada, *The Development of an Employment Policy for Indian, Inuit and Métis People* (Ottawa: Minister of Supply and Services Canada, 1979), pp. 10, 17.

184. Stewart Clatworthy, "The Effects of Length of Urban Residency on Native Labour Market Behaviour," Institute of Urban Studies, University of Winnipeg, May (1982), p. 1.

185. Ibid., pp. 42, 43.

186. Jeremy Hull, *Native Women's Attitudes Towards Employment: Report of a Winnipeg Survey* (Winnipeg: Institute of Urban Studies, University of Winnipeg, July 1982), Executive Summary.

187. The Union of Nova Scotia Indians recently completed a survey which indicated that 45 per cent of a sample of the Micmac labour force was interested in pursuing opportunities for offshore employment. The study also published CEIC figures on the number of status Indians who have expressed their interest in offshore training and employment. Apparently 84 Micmac expressed their interest to CEIC, but only 12 were referred for training and employment. None were actually placed, either for training or employment for the offshore sector, although CEIC did organize two short informational workshops that included Indian participants. Stewart Gould, *Offshore Impact Study*, Union of Nova Scotia Indians, 1983, pp. 80-82.

188. For a discussion of many of these programs, see Employment and Immigration Canada, *Labour Market Development in the 1980's* (Ottawa: Minister of Supply and Services, 1981), Chapter 6.

189. For an extensive discussion of these kinds of strategies, which we have labelled collective occupational transitions, see Fred Wien and Judy McRae, "The Institutionalization of Low Income Occupational Groups in Nova Scotia," Working Paper No. 9, Institute of Public Affairs, Dalhousie University, Halifax, 1980. A very good discussion of sheltering mechanisms is found in Marcia Freedman, *Labor Markets: Segments and Shelters* (Montclair, N.J.: Allanheld, Osmun and Co., Universe Books, 1976).

190. Paul Deprez and Glen Sigurdson, *The Economic Status of the Canadian Indian: A Re-examination* (Winnipeg: Center for Settlement Studies, The University of Manitoba, 1969).

191. Ruffing, op. cit., (1978), p. 43.

192. A 1977 survey of adult residents living on the Indian Brook reserve, for example, revealed that 80 per cent of

those responding preferred to work on the reserve and 89 per cent felt that, in general, jobs for band members should be created on the reserves. Similar results were found at Chapel Island.

193. In 1980, interviews with 85 service-sector employers in Nova Scotia were carried out, in part to determine how much choice the individual job seeker actually had in the labour market. The study concluded that employers have no difficulty in finding suitable candidates for vacancies, and in fact they received an average of 43 applications per job opening. Over half of the applicants were qualified to meet the requirements being sought. In response to another question, 73 per cent of the employers indicated that they would anticipate having no problems (and 24 per cent indicated that they would have only minor problems) in filling their labour force requirements even if faced with a sudden 20 per cent increase in demand for labour. Fred Wien, Alexa McDonough, and Dane Percy, "Racial Minorities and Recruitment/Hiring in Nova Scotia," in *Ethnicity in Atlantic Canada*, edited by Robert Garland, Social Science Monograph Series (Saint John, New Brunswick: University of New Brunswick, 1985).

194. Sources for this discussion of medium- and long-range employment trends are the following: Employment and Immigration Canada, op. cit., (1981); Lloyd Axworthy, *Are We Ready to Change: Canada's Labour Markets in the 1980s* (Ottawa: Canada Employment and Immigration Commission, July 1981); Arthur J. Cordell, "The Uneasy Eighties: The Transition to an Information Society," Summary of Background Study 53 (Ottawa: Science Council of Canada, 1985); "The New Economy," *Time*, May 30, 1983; Keith Newton, "Employment Effects of Technological Change: Some Implications for Education" (Ottawa: Economic Council of Canada, May, 1985).

195. Lester Thurow, *Generating Inequality: Mechanisms of Distribution in the U.S. Economy* (New York: Basic Books, 1975).

196. As experience with native employment programs run by private-sector firms increases, a number of studies have emerged which discuss how such projects should be

designed with a view to achieving a successful outcome. See, for example, Deprez and Sigurdson, op. cit.; Charles Hobart, "Industrial Employment of Rural Indigenes: The Case of Canada," *Human Organization*, Volume 41, Number 1 (1982); and Gail Grant, *The Concrete Reserve: Corporate Programs for Indians in the Urban Work Place* (Montreal: The Institute for Research on Public Policy, 1983).

197. Hull, op. cit., Executive Summary.

198. C. Matthew Snipp, "Determinants of Employment in Wisconsin Native American Communities," *Growth and Change*, Volume 11, Number 2 (April 1980) p. 45; Alan Sorkin, "Manpower Programs for American Indians," *Journal of Economics and Business*, Volume 25, Number 1 (1974), p. 54.

199. Bruce A. Chadwick and Howard M. Bahr, "Factors Associated with Unemployment Among American Indians in the Pacific Northwest," *Phylon*, Volume 39, Number 4 (1978), pp. 356-368.

200. Hull, op. cit., p. 50; William T. Stanbury, *Success and Failure: Indians in Urban Society* (Vancouver: University of British Columbia Press, 1975), Chapter 11; Caryl Abrahams-MacLachlan, Janet Mays, Flavio Tosca, and Kenneth G. Campbell, "Employment and Urban Native Canadians," *Journal of Employment Counselling*, Volume 19, Number 2 (June 1982). These results are consistent with the expectations of segmentation theory in that Indian high-school dropouts are most likely to be working in the secondary labour market. Whether they have completed grade 7 or 9 is not likely to make much difference in their employment prospects.

201. Stewart J. Clatworthy, "The Effects of Education on Native Behaviour in the Urban Labour Market," Technical Study No. 4, Labour Market Development Task Force Technical Studies Series (Ottawa: Minister of Supply and Services Canada, 1981); Chun-Yan Kuo, "The Effect of Education on the Earnings of Indian, Eskimo, Métis and White Workers in the MacKenzie District of Northern Canada," *Economic Development and Cultural Change*, Volume 24, Number 2 (1975-76), pp. 387-398.

202. Hull, op. cit., p. 51; Stanbury, op. cit.; Alan L. Sorkin, "The Economic and Social Status of the American Indian, 1940-1970," *Journal of Negro Education*, Volume 46 (1976); Loren C. Scott, "The Economic Effectiveness of On-the-Job Training: The Experience of the Bureau of Indian Affairs in Oklahoma," *Industrial and Labor Relations Review*, Volume 23, Number 2 (January 1970); Stewart Clatworthy, op. cit., (1981); Stewart Clatworthy, "Issues Concerning the Role of Native Women in the Winnipeg Labour Market," Technical Study 5, Labour Market Development Task Force Technical Studies Series (Ottawa: Minister of Supply and Services, 1981).

203. Deprez and Sigurdson, op. cit.

204. Wien, McDonough, and Percy, op. cit., 1985; Albert Rees, "Information Networks in Labour Markets," *American Economic Review*, Volume 66, Number 4, Part 2, pp. 559-566; Mark S. Granovetter, *Getting A Job: A Study of Contacts and Careers* (Cambridge, Mass.: Harvard University Press, (1974).

205. Hull, op. cit., pp. 29-32.

206. Stanbury, op. cit., Chapter 8. The percentage using Canada Employment Centres may be overstated even by these figures, in view of the requirement that persons taking advantage of CEIC programs, such as training or summer employment, register with the centres even if they already have a job lined up through informal means.

207. It is worth noting that one of the more successful strategies for assisting disadvantaged clients to obtain employment are the so-called job clubs. Under the supervision and encouragement of a group leader, a group of the unemployed systematically contacts employers directly, uses friends, relatives, and acquaintances as sources of job leads, gives each other support in their job-finding efforts, and so on. N.H. Azrin and V.A. Besalel, *Job Club Counsellor's Manual: A Behavioral Approach to Vocational Counselling* (Baltimore, Md.: University Park Press, 1980).

208. Some of the main sources dealing with the cultural characteristics of the Micmac in the last several decades

are Wilson D. Wallis and Ruth S. Wallis, "Culture Loss and Culture Change Among the Micmac of the Canadian Maritime Provinces, 1912-1950," *Kroeber Anthropological Society Papers*, Volume 8, Number 9 (1953), pp. 100-129; Wilson D. Wallis and Ruth S. Wallis, *The Micmac Indians of Eastern Canada* (Minneapolis: University of Minnesota Press, 1955); A.J. Hallowell, "Some Psychological Characteristics of the Northeastern Indians," in *Man in Northeastern America*, edited by F. Johnson, Papers of the R.S. Peabody Foundation for Archaeology, Volume 3, Andover (1946); Peter S. Sindell, *Continuity and Change in Micmac Values*, B.A. Thesis, Department of Anthropology, Harvard University, Cambridge, Mass., 1963; Philip K. Bock, *The Micmac Indians of Restigouche*, Bulletin 213, National Museums of Canada (Ottawa: 1966); Fred Gross, "Indian Island: A Micmac Reserve," in J.L. Elliott, *Minority Canadians: Native Peoples*, Volume 1 (Toronto: Prentice Hall, 1971); John G. Elliott, *Educational and Occupational Aspirations and Expectations: A Comparative Study of Indian and Non-Indian Youth*, Extension Department, St. Francis Xavier University, Antigonish, Nova Scotia, March 1970; Sheila Steen, *The Psychological Consequences of Acculturation Among Cape Breton Micmac*, M.A. Thesis, University of Pennsylvania, Philadelphia, 1951; W.C. Sayres (ed.), *Sammy Louis: The Life History of a Young Micmac* (New Haven: Compass Publishing, 1958); and Père Adrien, "Conservatisme et changement chez les Indiens Micmacs", *Anthropologica*, Volume 2, Number 1 (1956), pp. 1-16.

209. Rolf Knight, *Indians At Work* (Vancouver: New Star Books Ltd., 1978), pp. 10, 177.

210. Hobart, op. cit., p. 55; Grant, op. cit; Deprez and Sigurdson, op. cit.; and Scott, op. cit.

211. T. Graves, "The Personal Adjustment of Navajo Indian Migrants to Denver, Colorado," *American Anthropologist*, Volume 72 (February 1970), pp. 35-54; and Joan Ablon, "Relocated American Indians in the San Francisco Bay Area: Social Interaction and Indian Identity," *Human Organization*, Volume 23 (Winter 1964), pp. 296-304. In some empirically based American studies, "degree of Indian ancestry" in racial terms is sometimes

introduced as one of several independent variables in regression analyses attempting to predict economic performance (for example, earnings and months employed). While statistically significant relationships are sometimes found, it is at least as likely that what is being measured is physical Indian appearance (and therefore a discrimination factor), rather than cultural differences. See, for example, Lawrence Clinton, Bruce A. Chadwick, and Howard M. Bahr, "Urban Relocation Reconsidered: Antecedents of Employment Among Indian Males," *Rural Sociology*, Volume 40, Number 2 (1975); and also Chadwick and Bahr, op. cit. By way of contrast, Stanbury, op. cit., found his measure of cultural identity – his "Indianness Index" – to be positively associated with the probability of being employed off reserve in British Columbia.

212. UNSI, op. cit., (1984). As an example, the Micmac Friendship Centre in Halifax is currently carrying out a computer training program for native young people.

213. The Micmac word for social assistance is "tbeedinewai," which, according to Johnson, means something to which everyone is entitled an equal share. Gregory Johnson, "Welfare Services of the Micmac Indians of Nova Scotia: A Short Overview from Historical, Cultural and Contemporary Aspects," mimeo, Maritime School of Social Work, Dalhousie University, Halifax, Nova Scotia, 1969.

214. Asch points out that welfare that is organized according to European conceptions has led to the individualization of poverty, relieving the community of its traditional responsibility of helping each other. Michael Asch, "The Dene Economy," in *Dene Nation: The Colony Within*, edited by Mel Watkins (Toronto: University of Toronto Press, 1977), pp. 84-99. For a discussion of more positive uses of social assistance – for example, to supplement and sustain traditional Indian ways of making a living – see I. LaRusic, *Income Security for Subsistence Hunters*, Research Branch, Corporate Policy (Ottawa: Department of Indian and Northern Affairs, 1982).

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Fred Wien

Indian bands across Canada are increasingly taking over responsibility for their own affairs in areas such as band government, education, and social services. Their efforts to achieve self-government are hampered, however, by the lack of a self-sustaining economic base. Most native communities are characterized by high unemployment, low levels of income, and extensive dependence on government funding.

In this case study of the Micmac, the status Indians of Nova Scotia, a review of their economic history suggests that these conditions have not always prevailed. Wien argues that the economic base of Indian communities can be rebuilt through the pursuit of an appropriate set of strategies which focus on employment and economic development. To support this thesis, Wien refers to a unique database which illustrates the contemporary conditions of the Micmac in Nova Scotia. He also explores four theoretical perspectives from which those conditions and their solutions can be understood.

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